

Part 309.

Mississippi State Port Authority's Section 3 Plan

Port Restoration

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Section 3 Plan

Port Restoration

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Introduction and General Policy Statement

The Mississippi State Port Authority (sometimes referred to herein as the “MSPA” or the “Port Authority”) continues to rebuild the Port at Gulfport which was nearly completely destroyed by Hurricane Katrina on August 29, 2005. In response to the devastation, Congress allocated federal aid through a U.S. Housing and Urban Development Community Development Block Grant to reestablish a sustainable port. The federal aid purposes are supported by the policies of the Mississippi State Port Authority and described in this Section 3 Plan.

This Section 3 Plan outlines and describes the Mississippi State Port Authority’s policies for notifying Section 3 residents and business concerns about employment, training and contracting opportunities and the Port Authority’s, including its Contractors and Subcontractors, obligations concerning outreach, recordkeeping, monitoring and enforcement activities to ensure the Port Authority is, to the greatest extent feasible, directing employment and contracting opportunities to Section 3 residents and business concerns.

Section 3 Purpose

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) and implementing regulations at 24 C.F.R.135 (Section 3) requires recipients and subrecipients such as the Mississippi State Port Authority to ensure that employment and other economic and business opportunities generated by the Department of Housing and Urban Development (HUD) financial assistance shall, to the greatest extent feasible, consistent with existing Federal, State and local laws and regulations, be directed to low- and very low- income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons. The Mississippi State Port Authority fully embraces the spirit and intent of Section 3 and has set forth policies and procedures in accordance therewith. Such policies are applicable to contractors, subcontractors and others engaged in projects funded through the Mississippi State Port Authority with funds sourced from HUD.

In implementation of these policies and in order to assist in the achievement of the primary objective of connecting low- and very low-income persons with economic opportunities associated with the Port Authority’s Section 3 Covered Projects, the Port Authority has created a full-time, dedicated staff position for a Compliance Officer tasked with monitoring and enforcement of the Port Authority’s Section 3 policies.

MSPA Section 3 Outreach & Training Activities

To further facilitate the Port Authority’s commitment to the achievement of the numerical goals for itself and its Contractors and Subcontractors, the Port Authority supports broad outreach, education and training relative to Section 3. The cornerstone of the Port Authority’s outreach and training effort is the establishment of the Pathways to the Port Program.

MSPA, in conjunction with the Mississippi Development Authority (the “MDA”), has partnered with the Mississippi Department of Employment Security (“MDES”) to recruit and refer eligible applicants, and to provide employers with a one-stop resource for job posting and qualified workers. MDES operates a network of WIN Job Centers which have traditionally been the link between employers and the workforce. The Centers provide applicants with assessment, job search and placement assistance, as well as access to computers and job readiness training. Applicants in need of additional training will be screened and referred to training providers.

MDES has developed the Workforce Investment Global Services or “WINGS”, an integrated web solution that can be used by employers to post jobs, find qualified applicants and manage job applications posted in the system. The process is as follows:

- Pathways Program will require all the Program Participants to submit job postings through WINGS for all newly created or replacement positions.
- The WIN Job Center will provide a list of qualified job seekers with preference to low- and very low- income persons.
- MDES will provide the Program participant with the list of qualified job seekers from the WIN Job Center.
- The Pathways to the Port participant will then interview the candidates qualified for the open position and may choose to hire from the list provided if possible. Once the program participant has made a hiring decision regarding the position, the participant shall inform MDES of its decision.
- When a candidate is chosen from the list or another source, the Program participant will complete the Job Applicant Survey Form (substantially in the form set forth in Appendix I) and submit it to the Compliance Officer or its designee for recordkeeping and reporting. .

The Pathways Program will be a focused and accountable model initiative. Applicants will be tracked in the State’s performance management system to measure and report on hiring and other outcomes.

Program Outreach:

MSPA jobs outreach program in order to quantify the direct and indirect jobs of contractors and subcontractors resulting from the Port Authority’s Section 3 Covered Projects and to make them available to all sections of the community, including low- to very low- income residents.

The entire community in the vicinity of the Port at Gulfport will be targeted. The community shall consist of the MSA.¹ However, particular attention will be paid to low- and very low-income persons. The outreach campaign will include purchasing authorities, community-based organizations, WIN Job Centers, libraries, and media resources (e.g., The Sun Herald, WLOX, posting and distributing flyers, a website).

¹ <http://www.mississippi.org/assets/docs/maps/msas.pdf>.

Workforce Training

The State of Mississippi has successfully developed a workforce training system utilizing the resources of the State's network of community colleges, senior colleges, State and local economic development agencies, and related business entities. This system has successfully provided hundreds of citizens, many of whom are low- and very low income- persons, with the job training and related education to find employment with the major manufacturing industries and businesses of the State, including Nissan and Toyota. This system has been nationally recognized for its innovation and abilities to provide a highly skilled workforce for these industries. The Pathways Program will partner this approach with existing state workforce system, to plan, implement and oversee training, recruitment, and hiring needs for the Port and the Program Participants. The Pathways Program will identify the fundamental/core skills needed in order to equip unskilled and under-skilled workers to fill entry-level demand jobs.

The Pathways Program will work with businesses, community colleges, and other training providers as necessary to meet job training needs. Training will be easily accessible, flexible and will be provided at very low or no cost to eligible applicants.

Three key training providers have been identified: (1) the Mississippi Gulf Coast Community College, which has three campuses and has offered the use of its West Harrison Center located in Harrison County to be used exclusively for the Pathways Program training; (2) Pearl River Community College, which has campuses in Hancock and Pearl River County; and (3) the Ship Building Academy located in Jackson County.

Existing curriculum will be customized to meet training needs. Training will lead to portable industry recognized credentials. Existing training includes, logistics, diesel equipment and office system technologies; heavy equipment operations; construction skills; OSHA; crane simulation; commercial truck driving and career readiness certificates.

The Compliance Officer will also evaluate Section 3 eligibility based on the data submitted by contractors. The Compliance Officer shall review and have oversight over all certifications.

Assuring Compliance with Section 3 Policies

Applicants will be tracked in the State's performance management system to measure and report on hiring and other outcomes.

The Section 3 Clause (see Appendix A) and implementation of all Section 3 Reporting Forms (as referenced in the Table of Contents above) become part of the contractual documents between the Port Authority and any Contractor and their Subcontractors. Further, the Port Authority shall require the Section 3 Clause and the implementation of the Section 3 Reporting Forms to be incorporated into any contract between a Contractor and Subcontractor. The Compliance Officer is available to provide technical assistance to Contractors, Subcontractors, and others during the course of the Section 3 Covered Project. The Compliance Officer will routinely monitor each party's continued compliance with the reporting requirements specified in the Section 3 Reporting Forms, any party's failure to properly satisfy such requirements can be construed by the Port Authority as a breach of such party's contract and may further result in the Port

Authority's termination of such contract and debarment or suspension of such party from future Port Authority HUD-assisted contracts.

MSPA Section 3 Employment & Contracting Goals

The MSPA has set minimum numerical goals for the Project to ensure that, to the greatest extent feasible, economic opportunities are provided to Section 3 residents and Section 3 business concerns. The Port Authority's current minimum Section 3 goals are as follows:

- Employment: Thirty percent (30%) of the aggregate number of new hires during each year of the project;
- Contracting: (a) At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for public construction, and (b) At least three percent (3%) of the total dollar amount of all other covered Section 3 contracts to eligible Section 3 business concerns.

The goals established by this section apply to the entire amount of Section 3 covered assistance under the Project. The Port Authority will further ensure that, to the greatest extent feasible, its Contractors and/or Subcontractors provide training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns. The Compliance Officer will be responsible for reviewing the new hire clause with Contractors and Subcontractors to ensure that the requirement is understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to employ Section 3 program participants before any other person, when hiring additional employees needed to complete proposed work to be performed with HUD funds.

Contractors:

- Shall incorporate the Section 3 Clause (Appendix A) in their contracts and subcontracts.
- Shall submit a Section 3 Project Plan (substantially in the form set forth in Appendix B), Section 3 Hiring Plan (substantially in the form set forth in Appendix C) and Section 3 Subcontracting Plan (substantially in the form set forth in Appendix D), if applicable, with their proposals detailing the estimate of the number of employment and/or subcontracting opportunities to be generated by the initial contract, for approval in accordance with the MSPA's Section 3 Plan and shall incorporate and implement such plans in connection with their contracted activities. The Contractors' plans must be reflective of the MSPA's Section 3 goals.
- Shall document and report all efforts made toward the implementation and achievement of goals contained with their approved Section 3 Project Plan and Section 3 Hiring Plan, including detailed narratives of all interviewing, hiring and training activities. Contractors shall maintain records documenting such activities to be made available for monitoring and compliance reviews.

- Shall along with supporting documentation submit the Section 3 Business Certification (substantially in the form set forth in Appendix E) in connection with the retention or certification of any Section 3 business concerns.
- Shall, as applicable, submit the Section 3 Resident Certification (substantially in the form set forth in Appendix F) along with supporting documentation in connection with the interviewing, training or hiring of any Section 3 resident. Copies of all supporting documentation shall be maintained by contractors and available for monitoring and compliance reviews.
- Shall, on a monthly basis, timely submit to the MSPA all required Section 3 Reports, including the Section 3 Status Report Hiring/Subcontracting Activity form (substantially in the form set forth in Appendix G) to MSPA and the Section 3 Project Summary Report (substantially in the form set forth in Appendix H).
- Shall, if applicable, demonstrate and document to the satisfaction of the Compliance Officer why meeting the Section 3 numerical goals was not feasible for Contractor or its Subcontractor(s).
- Shall report their employment opportunities to the Compliance Officer or its designee. Contractors shall post all employment opportunities with the MS WIN Job Center and shall review the MS WIN Job Center job-seeker postings provided prior to filling any position for the Project.
- Shall perform such other Section 3 compliance activities as may be reasonably requested by the Port Authority.

Subcontractors

- Shall incorporate the Section 3 Clause in their contracts and subcontracts.
- Shall submit a Section 3 Hiring Plan and Section 3 Subcontracting Plan along with supporting documentation to their respective Contractors for submission to and approval of the MSPA. Subcontractors shall incorporate and implement such plans in connection with their contracted activities. The Subcontractor's plans must be reflective of the MSPA's Section 3 goals.
- Shall document and report all efforts made toward the implementation and achievement of goals contained within their approved Section 3 Hiring Plan and Section 3 Subcontracting Plan, including detailed narratives of all interviewing, hiring and training activities. Subcontractors shall maintain records documenting such activities to be made available for monitoring and compliance reviews.
- Shall, as applicable, submit the Section 3 Business Certification in connection with the retention or contracting of any Section 3 business concern and the Section 3 Resident Certification along with supporting documentation in connection with the interviewing, training or hiring of any Section 3 resident. All

supporting documentation shall be maintained and available for monitoring and compliance reviews.

- Shall, on a monthly basis, timely submit to the Contractor for submission to the MSPA, all required Section 3 Reporting Forms, including, but not necessarily limited to, the Section 3 Status Report Hiring/Subcontracting Activity form.
- Shall report their employment opportunities to the Compliance or its designee. Subcontractors shall post all employment opportunities with the MS WIN Job Center and shall review the MS WIN Job Center job-seeker postings provided prior to filling any position for the Project.
- Shall perform such other Section 3 compliance activities as may be reasonably requested by the Port Authority.

Port Authority

The Port Authority recognizes that the ultimate responsibility for compliance with the Port Authority's Section 3 Plan rests with the Port Authority, including, but not limited to responsibility for any tasks which are performed by a designee of the Port Authority, the Compliance Officer or both. In recognition thereof, the Port Authority will:

- Establish and maintain the roles of the Compliance Officer, or its designee, who shall have primary responsibility for assuring that the Section 3 implementation procedures are consistently carried out.
- Incorporate the Section 3 Clause and Section 3 Forms in all solicitations and bidding documents.
- Require the submission of Section 3 Plans for review and approval by the Compliance Officer prior to the commitment by the Port Authority of any funding to Section 3 Covered Projects.
- Conduct meetings with Contractors to discuss the review of Section 3 Plans and Forms of the Contractors and their Subcontractors.
- Require approved Section 3 Plans and Forms to become a part of the set of contractual documents.
- Require Contractor's and Subcontractor's submission of a periodic Section 3 Reports for review prior to award for compliance.
- Regularly conduct compliance monitoring of all contracts which embody Section 3 plans. The Port Authority shall, no less than two (2) times per year, review with Contractors to perform a comprehensive analysis of compliance by each Contractor.

- Regularly conduct compliance monitoring of all supporting documentation for data submitted by Contractors and Subcontractors.
- Hold workshops, as necessary, on the Port Authority's Section 3 Program.
- Prepare and submit reports to MDA and HUD (as set forth below) on the Section 3 Program results. All supporting documentation will be maintained by the Port Authority for compliance and monitoring reviews.
- The Compliance Officer or its designee will work with the Mississippi Department of Employment Security to provide the Contractors and Subcontractors with a list of qualified job seekers.
- Shall perform or establish any such other activities or policies which the Port Authority deems prudent or necessary in order to achieve the successful implementation the Port Authority's Section 3 goals.

Hiring Policies for Achievement of MSPA Section 3 Hiring Goals

The hiring policy as set forth herein is an essential component of any Section 3 Plan submitted to the Port Authority by Contractors and Subcontractors for approval. The Port Authority recognizes the importance of making sure that low- and very low- income residents residing in the Metropolitan Statistical Area benefit from any and all Section 3 Covered Projects built in their communities. As such, Contractors and Subcontractors are expected by the Port Authority to demonstrate in their Section 3 Plans and through their subsequent implementation of such plans that Section 3 eligible residents are included in the hiring goals and are indeed beneficiaries of the plans' hiring policies and practices.

The Port Authority, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of section 3 covered assistance to section 3 residents in the order of priority listed below. Priority consideration shall be given, where feasible, to:

- Section 3 residents residing in the service area or neighborhood in which the section 3 covered project is located (collectively, referred to as category 1 residents).²
- Other section 3 residents.

² The categories below, which are not applicable to the Section 3 covered activity referenced herein, shall be given higher priority, if and when applicable:

- Participants in HUD Youthbuild programs (category 2 residents).
- Where the section 3 project is assisted under the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.), homeless persons residing in the service area or neighborhood in which the section 3 covered project is located shall be given the highest priority.

Through the incorporation of the Port Authority's Section 3 Plan into its contracts, the Port Authority will expect Contractors and Subcontractors to:

- Conduct aggressive employment outreach to a number of community based agencies for new hires;
- Accept and give preferential employment consideration to referred Section 3 eligible residents;
- Provide appropriate employment outreach signage, flyers and advertisements in order to target and inform low- and very low- income residents of employment opportunities;
- Cooperate with the Compliance Officer or its designee to undertake, to the greatest extent feasible, such efforts as they may deem necessary to achieve the Port Authority's Section 3 goals;
- Prior to beginning work, inform Section 3 participants of the development at which the work will be performed, by providing the following:
 - Names of the Section 3 business concerns to be utilized
 - Estimates of the number of employees to be utilized for contract
 - Projected number of available positions, to include job descriptions and wage rates (construction wages consistent with Davis Bacon).
 - Efforts that will be utilized to seek Section 3 participants;
- Notify the Compliance Officer or its designee of any employment opportunities prior to hiring for such opportunities;
- Immediately notify the Compliance Officer or its designee of any problems experienced due to the employment of Section 3 participants; and
- Immediately notify the Compliance Officer or its designee if a participant quits, walks off, or is terminated for any reason. The contractor or subcontractor must provide written documentation of all such incidents to support such decisions to the Compliance Officer or its designee to determine if an investigation is warranted.

Certification of Section 3 Eligible Residents

Low- and very low- income persons who reside in the Gulfport/Biloxi Metropolitan Statistical Area may seek certification as "Section 3 eligible." In order to seek Section 3 eligibility status, any individual may complete a Section 3 Resident Certification form and submit such form (including adequate proof of Section 3 eligibility, e.g. a copy of a lease with a housing authority, pay stub or income tax return) to Contractors and Subcontractors or to Program Participants through the Pathways Program. The Compliance Officer is tasked with the responsibility of maintaining a current and accurate list of certified Section 3 eligible residents, and making referrals of certified Section 3 eligible residents to job and training opportunities.

- All persons determined by the Compliance Officer to be Section 3 eligible can, by appointment, visit with the Compliance Officer or its designee to complete a job readiness assessment as established by HUD.
- Once this assessment is complete, the Compliance Officer or its designee will determine if the individual meets the eligibility requirements and is job ready.

- If the individual is deemed eligible for Section 3 participation and deemed not ready for employment, a referral will be made to other agencies that are better equipped to address the individual's needs, i.e., substance abuse providers, etc.
- The Section 3 job readiness component is a part of the MSPA commitment to provide economic opportunities and training to residents/eligible participants to become gainfully employed.

MSPA Preference for Contracting with Section 3 Business Concerns

The Mississippi State Port Authority is committed to and recognizes the importance of ensuring that Section 3 Eligible business concerns derive economic benefit from any and all MSPA Section 3 Projects in their communities. Likewise, contractors and subcontractors are required by the MSPA to demonstrate in their Section 3 plans and their subsequent implementation actions that Section 3 certified business concerns are included in the contracting goals and are indeed economic beneficiaries of the plan's business and procurement policies and practices. The Mississippi State Port Authority's Section 3 policy requires Section 3 business concerns to be given priority in contracting for work:³

Business concerns that are 51% or more owned by a Section 3 resident(s), or whose permanent, full-time workforce includes no less than 30% Section 3 residents or that subcontract in excess of 25% of the total amount of subcontracts to Section 3 business concerns.

Certification of Section 3 Business Concerns

All businesses conducting work with the Restoration Project shall complete the Section 3 Business Concern Certification form (substantially in the form set forth in Appendix E), which can be obtained from the Compliance Officer. Any business seeking Section 3 certification must be able to provide adequate documentation as evidence of eligibility for preference under the Section 3 program. The Compliance Officer will review such form and supporting documentation and make a determination as to whether to qualify the business as a Section 3 business concern.

The Compliance Officer or its designee will maintain a current database capable of generating accurate listings of certified Section 3 business concerns and will make available listings of such concerns to any contractor or subcontractor interested in work pertaining to the Port Authority's Section 3 Covered Projects. Information from this database and all documentation submitted by

³ The categories below, which are not applicable to the Section 3 covered activity referenced herein, shall be given higher priority, if and when applicable:

- Business concerns that are 51% or more owned by residents of the housing development for which the work is performed, or whose full-time, permanent workforce includes 30% of these persons as employees.
- Business concerns that are 51% or more owned by residents of the Authority's public housing development(s) other than the housing development where the work is to be performed; or whose full-time permanent workforce includes 30% of these persons as employees.

any business will also be available to the Compliance Officer who will be engaged in ongoing monitoring of Section 3 implementation and compliance.

Efforts to Award Contract Opportunities to Section 3 Business Concerns

Through the implementation of the Port Authority's Section 3 Plan through its contracts, the Port Authority will expect Contractors and Subcontractors to:

- Advertise contracting opportunities via selected referral sources identified in the form such as newspaper, plan rooms, posting notices that provide general information about the work to be contracted and where to obtain additional information.
- Provide written notice of contracting opportunities available to all known Section 3 business concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to the bid invitation.
- Coordinate pre-bid meetings at which Section 3 business concerns would be informed of upcoming contracting opportunities in advance.
- Conduct workshops on MSPA contracting procedures to include bonding, insurance, and other pertinent requirements, in a timely manner in an effort to allow Section 3 business concerns the opportunity to take advantage of any upcoming contracting opportunities.
- Contact business assistance agencies and Minority and Women Businesses' contractor associations and community organizations to inform them of contracting opportunities and to request their assistance in identifying Section 3 businesses.
- During procurement of a project, a Section 3 Business Concern will be given a preference in an award pursuant to 24 CFR Part 135 Appendix, III.

Documenting Section 3 Efforts

A. Monthly Reports. Section 3 monthly reports are required from all Contractors and Subcontractors of the Port Authority. Reports shall be due upon and submitted in conjunction with the monthly invoice from such Contractor (Contractors shall ensure that the monthly report(s) from its Subcontractor(s) are included in such submission) or due on such other date as reasonably requested by the Compliance Officer.

B. Quarterly Reports. The Port Authority shall prepare quarterly reports detailing (i) all hiring, contracting and subcontracting activities and (ii) Pathways Program participant jobs data, including an executive summary of Pathways Program activities (including, but not necessarily limited to, the number of program participants, explanation of changes in participation, outreach activities and workforce training status) for the quarter. These quarterly reports shall be submitted separately to The Mississippi Development Authority, Post Office Box 849, Jackson, MS 39205.

C. Annual Reports. The Port Authority will submit the annual Section 3 report to MDA for submission to HUD each year. All annual reports shall be submitted on HUD Form 60002, or other form as designated by HUD.

In support of each of the foregoing reports and to document compliance with the Section 3 Plan objectives, the Port Authority will receive and maintain records which, at a minimum, will include specific information and documentation to demonstrate whether the numerical goals were met and that the Port Authority and its Contracts and their Subcontractors carried out their responsibilities in accordance with their obligations. The Compliance Officer shall review and confirm the information and documentation provided to monitor and enforce compliance with this Section 3 Plan.

Section 3 Complaint Procedures

D. HUD Complaint Process⁴. Any Section 3 resident or business concern may file a complaint alleging noncompliance with Section 3 by a recipient, contractor or subcontractor. Complaints must be submitted to HUD within 180 days of the action or omission upon which the complaint is based. Complaints are to be filed in writing⁵ to:

Atlanta Regional Office
United States Department of Housing and Urban Development
Southeast Office
40 Marietta Street
Atlanta, GA 30303
Email: complaints_office_04@hud.gov

The written complaint must be signed by the complainant and must contain:

- The complainant's name and address;
- The name and address of the respondent of the complaint;
- A description of the acts or omissions by the respondent that is sufficient to inform the Assistant Secretary of the nature and date of the alleged noncompliance.

E. Port Authority Informal Complaint Process. Any Section 3 resident or business concern may file an informal complaint alleging noncompliance with Section 3 by a recipient, contractor or subcontractor. Informal complaints will be investigated by the Compliance Officer. Filing an informal complaint with the Port Authority will not satisfy the complaint requirements established by HUD. Informal complaints are to be filed in writing to:

⁴ HUD Complaint Registry: <http://portal.hud.gov/hudportal/documents/huddoc?id=958.pdf>

⁵ A complainant may provide information to be contained in a written complaint by telephone to HUD or any HUD Field Office, and HUD will reduce the information provided by telephone to writing on the prescribed complaint form and send the form to the complainant for signature.

Compliance Officer
Mississippi State Port Authority at Gulfport
2510 14th Street, Suite 880
Gulfport, MS 39501

The written complaint must be signed by the complainant and must contain:

- The complainant's name and address;
- The name and address of the respondent of the complaint;
- A description of the acts or omissions by the respondent that is sufficient to inform the Assistant Secretary of the nature and date of the alleged noncompliance.

Upon receipt of such complaint, the Compliance Officer will designate the appropriate person(s) to investigate the specific allegations of the complaint and render a finding. If it is determined that a violation of the Port Authority's Section 3 Plan or a breach of the contractual obligations owed to the Port Authority by any contractor (including breaches committed by any such contractor's subcontractor), the Compliance Officer shall notify the Port Authority of such findings and of the recommended corrective measures. The Port Authority will utilize its best efforts to provide the results of its findings to the complainant within thirty (30) days after the filing of the informal written complaint.

Section 3 Definitions⁶

Applicant means any entity which makes an application for section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association.

Assistant Secretary means the Assistant Secretary for Fair Housing and Equal Opportunity.

Business concern means a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

Business concern that provides economic opportunities for low- and very low-income persons. See definition of “section 3 business concern” in this section.

Contract. See the definition of “section 3 covered contract” in this section.

Contractor means any entity which contracts to perform work generated by the expenditure of section 3 covered assistance, or for work in connection with a section 3 covered project.

Employment opportunities generated by section 3 covered assistance means all employment opportunities generated by the expenditure of section 3 covered public and Indian housing assistance (i.e., operating assistance, development assistance and modernization assistance, as described in § 135.3(a)(1)). With respect to section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with section 3 covered projects (as described in § 135.3(a)(2)), including management and administrative jobs connected with the section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.

Housing authority means, collectively, public housing agency and Indian housing authority.

Housing and community development assistance means any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants, and loans guaranteed under section 108 of the Housing and Community Development Act of 1974, as

⁶ 24 C.F.R.135.5 (as applicable to this Section 3 Plan).

amended. Housing and community development assistance does not include financial assistance provided through a contract of insurance or guaranty.

Housing development means low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations codified in 24 CFR Chapter IX.

HUD Youthbuild programs mean programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

Low-income person. See the definition of "section 3 resident" in this section.

Metropolitan area means a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

New hires mean full-time employees for permanent, temporary or seasonal employment opportunities.

Public housing resident has the meaning given this term in 24 CFR part 963.

Recipient means any entity which receives section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which section 3 applies and does not include contractors.

Section 3 means section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 business concern means a business concern, as defined in this section— (1) That is 51 percent or more owned by section 3 residents; or (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."

Section 3 clause means the contract provisions set forth in § 135.38.

Section 3 covered activity means any activity which is funded by section 3 covered assistance public and Indian housing assistance.

Section 3 covered assistance means: (1) Public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act; (2) Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act; (3) Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act; (4) Assistance provided under any HUD housing or community development program that is expended for work arising in connection with: (i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement); (ii) Housing construction; or (iii) Other public construction project (which includes other buildings or improvements, regardless of ownership).

Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. “Section 3 covered contracts” do not include contracts awarded under HUD’s procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). “Section 3 covered contracts” also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 resident means: (1) A public housing resident; or (2) An individual who resides in the metropolitan area or nonmetropolitan county in which the section 3 covered assistance is expended, and who is: (i) *A low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or (ii) *A very low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes. (3) A person seeking the training and employment preference provided by section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

Section 8 assistance means assistance provided under section 8 of the 1937 Act (42 U.S.C. 1437f) pursuant to 24 CFR part 882, subpart G.

Service area means the geographical area in which the persons benefitting from the section 3 covered project reside. The service area shall not extend beyond the unit of general local government in which the section 3 covered assistance is expended. In HUD's Indian housing programs, the service area, for IHAs established by an Indian tribe as a result of the exercise of the tribe's sovereign power, is limited to the area of tribal jurisdiction.

Subcontractor means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of section 3 covered assistance, or arising in connection with a section 3 covered project.

Very low-income person. See the definition of "section 3 resident" in this section.

Youthbuild programs. See the definition of "HUD Youthbuild programs" in this section.

HUD HIRING CATEGORIES

PROFESSIONALS.

Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dieticians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations specialists, physical scientists, physicians, social scientists, teachers, surveyors and kindred workers.

TECHNICIANS.

Occupations requiring a combination of basic scientific knowledge and manual skill which can be obtained through 2 years of post-high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers, drafters, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses, photographers, radio operators, scientific assistants, technical illustrators, technicians (medical, dental, electronic, physical science), and kindred workers.

OFFICE AND CLERICAL.

Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly non manual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, collectors (bills and accounts), messengers and office helpers, office machine operators (including computer), shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, legal assistants, and kindred workers.

OFFICIALS AND MANAGERS.

Occupations requiring administrative and managerial personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. Includes: officials, executives, middle management, plant managers, department managers, and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, railroad conductors and yard masters, ship captains, mates and other officers, farm operators and managers, and kindred workers.

SALES.

Occupations engaging wholly or primarily in direct selling. Includes: advertising agents and sales workers, insurance agents and brokers, real estate agents and brokers, stock and bond sales workers, demonstrators, sales workers and sales clerks, grocery clerks, and cashiers/checkers, and kindred workers.

CRAFT WORKERS (SKILLED).

Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. Includes: the building trades, hourly paid supervisors and lead operators who are not members of management, mechanics and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, painters (construction and maintenance), motion picture projectionists, pattern and model makers, stationary engineers, tailors and tailoresses, arts occupations, hand painters, coaters, bakers, decorating occupations, and kindred workers.

OPERATIVES (SEMISKILLED).

Workers who operate machine or processing equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. Includes: apprentices (auto mechanics, plumbers, bricklayers, carpenters, electricians, machinists, mechanics, building trades, metalworking trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffers, delivery workers, sewers and stitchers, dryers, furnace workers, heaters, laundry and dry cleaning operatives, milleners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (manufactured articles), photographic process workers, truck and tractor drivers, knitting, looping, taping and weaving machine operators, welders and flamecutters, electrical and electronic equipment assemblers, butchers and meatcutters, inspectors, testers and graders, hand packers and packagers, and kindred workers.

LABORERS (UNSKILLED).

Workers in manual occupations which generally require no special training who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Includes: garage laborers, car washers and greasers, groundskeepers and gardeners, farmworkers, stevedores, wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.

SERVICE WORKERS.

Workers in both protective and non-protective service occupations. Includes: attendants (hospital and other institutions, professional and personal service, including nurses aides, and orderlies), barbers, chair workers and cleaners, cooks, counter and fountain workers, elevator keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, amusement and recreation facilities attendants, guides, ushers, public transportation attendants, and kindred workers.

APPENDIX A

SECTION 3 CLAUSE

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires

that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



APPENDIX B

SECTION 3 PROJECT PLAN (For General Contractor – Submit to MSPA)

Instructions

1. All general contractors on the Project must fill out this Section 3 Project Plan form.
2. The Plan must represent the contractor's commitments to comply with Section 3, and include a description of efforts to accomplish the Plan.
3. The general contractor shall implement the Plan, including reporting monthly on the status of the Plan. Any changes must be submitted to the MSPA for approval.

Company Name: _____ Project: Port of Gulfport Restoration Project

Contact Person / Phone #: _____ Contract Amount: _____

Are you a Certified Section 3 Business Concern?

- ☐ Yes, certification and supporting documentation were provided to MSPA.
- ☐ No, but will work with MSPA to attain HUD Section 3 goals to the greatest extent feasible.

Are you a Construction Contractor or a Non-construction Contractor?

- ☐ Construction Contractor
- ☐ Non-Construction Contractor

Section 3 Hiring Goals

Enter the goals for hiring by your company and by all subcontractors on this contract.

Number of New Hires: _____ Number of Sec 3 Hires: _____ Percentage of Sec 3 Hires: _____ %
(Section 3 goals are a minimum of 30% of new hires be Section 3 hires)

Section 3 Subcontracting Goals

Enter the goals for subcontracting by your company and by all subcontractors on this project.

Number of Subcontracts: _____ Total Contract Amount Available to Subcontract: \$ _____
(Contract award less general conditions, P&P bond, profit and overhead, etc.)

Number of Subcontracts With Sec. 3 Businesses: _____ Contract Amount Expected to Subcontract to Sec 3 Businesses: \$ _____

Percent of Total Dollar Amount Available to Subcontract Expected to Subcontract to Sec 3 Businesses: _____ %
(Section 3 goal is a minimum of 10% of subcontracts for construction and 3% of subcontracts for non-construction be with Section 3 Businesses)

Description of Efforts to Implement Section 3 Project Plan

The Contractor shall attempt to recruit low-income residents through local advertising media, signs prominently displayed at the project site, community organizations and public or private agencies operating within the metropolitan area in which the Section 3 covered program or project is located, participating in the Pathways to the Port Jobs Program and by listing all job openings at Mississippi WIN Job Centers. Additionally, the Contractor may employ multiple measures (as described in the Appendix A, attached) in order to offer training and employment opportunities to Section 3 residents.

The Contractor shall attempt to award subcontracts to Section 3 business concerns by utilizing the some of the examples as set forth in the Appendix A.

If the project generates training opportunities, then the contractor will give preference for those training opportunities to section 3 residents. Such training opportunities might include internships or apprenticeships. Contractor shall implement procedures designed to notify section 3 residents about the training.

Definitions

- a. A "Section 3 resident" is
 - A public housing resident; or
 - a low- (< 80% AMI) or very low- (<50% AMI) income person residing in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended. See HUD website at www.hud.gov/section3.
- b. "Section 3 business concern" means a business concern—
 - (1) That is 51 percent or more owned by section 3 residents; or
 - (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
 - (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."
- c. A new hire means a full-time employee for a new permanent, temporary, or seasonal employment opportunities.
- d. Hiring Categories as identified by HUD:
 1. PROFESSIONALS.
Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations specialists, physical scientists, physicians, social scientists, teachers, surveyors and kindred workers.
 2. TECHNICIANS.
Occupations requiring a combination of basic scientific knowledge and manual skill which can be obtained through 2 years of post-high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers, drafters, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses, photographers, radio operators, scientific assistants, technical illustrators, technicians (medical, dental, electronic, physical science), and kindred workers.
 3. OFFICE AND CLERICAL.
Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly nonmanual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, collectors (bills and accounts), messengers and office helpers, office machine operators (including computer), shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, legal assistants, and kindred workers.
 4. OFFICIALS AND MANAGERS.
Occupations requiring administrative and managerial personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. Includes: officials, executives, middle management, plant managers, department managers, and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, railroad conductors and yard masters, ship captains, mates and other officers, farm operators and managers, and kindred workers.
 5. SALES.
Occupations engaging wholly or primarily in direct selling. Includes: advertising agents and sales workers, insurance agents and brokers, real estate agents and brokers, stock and bond salesworkers, demonstrators, salesworkers and sales clerks, grocery clerks, and cashiers/checkers, and kindred workers.
 6. CRAFT WORKERS (SKILLED).
Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. Includes: the building trades, hourly paid supervisors and lead operators who are not members of management, mechanics and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, painters (construction and maintenance), motion picture projectionists, pattern and model makers, stationary engineers, tailors and tailoresses, arts occupations, handpainters, coaters, bakers, decorating occupations, and kindred workers.

7. OPERATIVES (SEMISKILLED).

Workers who operate machine or processing equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. Includes: apprentices (auto mechanics, plumbers, bricklayers, carpenters, electricians, machinists, mechanics, building trades, metalworking trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffeurs, delivery workers, sewers and stitchers, dryers, furnace workers, heaters, laundry and dry cleaning operatives, milliners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (manufactured articles), photographic process workers, truck and tractor drivers, knitting, looping, taping and weaving machine operators, welders and flamecutters, electrical and electronic equipment assemblers, butchers and meatcutters, inspectors, testers and graders, handpackers and packagers, and kindred workers.

8. LABORERS (UNSKILLED).

Workers in manual occupations which generally require no special training who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Includes: garage laborers, car washers and greasers, groundskeepers and gardeners, farmworkers, stevedores, wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.

9. SERVICE WORKERS.

Workers in both protective and non-protective service occupations. Includes: attendants (hospital and other institutions, professional and personal service, including nurses' aides, and orderlies), barbers, charworkers and cleaners, cooks, counter and fountain workers, elevator keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, amusement and recreation facilities attendants, guides, ushers, public transportation attendants, and kindred workers.

Section 3 Clause

All subcontracts shall include the Section 3 Clause found at 24 CFR 135.38 (see Appendix B attached) and fully incorporate into the subcontract by reference.

Section 3 Reporting/Recordkeeping by Contractor

The Contractor will report Section 3 activities to MSPA on a monthly basis on the provided Section 3 Status Report and Section 3 Project Summary Report. MSPA shall have access to all records, reports, and other documents or items of the Contractor that are maintained to demonstrate compliance with the Section 3 regulations, or that are maintained in accordance with the regulations governing the PGRP under which Section 3 covered assistance is provided or otherwise made available to the Contractor.

Section 3 Compliance Monitoring of Subcontractors

The Contractor shall share the responsibility of Section 3 with the subcontractors that are awarded contracts to which Section 3 is applicable. If the subcontractor has the need to hire new persons to complete the Section 3 covered contract or needs to subcontract portions of the work to another business, they are required to direct their newly created employment and/or subcontracting opportunities to Section 3 residents and business concerns. The same numerical goals apply to subcontractors (i.e., 30 percent of new hires, 10 percent of construction contracts, and 3 percent of non-construction contracts). In addition, the subcontractor will be required to notify the Contractor about their efforts to comply with Section 3 and submit any required documentation as set forth below. Subcontractors will be required to provide to the Contractor a Section 3 status report capturing the following data:

- The number of full time positions with the Subcontractor for PGRP.
- Of those full time positions, the number of Section 3 employees working for the Subcontractor under PGRP.
- Supporting certification of Section 3 resident and necessary supporting evidence (pay roll, pay stub, copy of lease, etc.).
- Supporting certification of Section 3 business concern and necessary supporting information (Certifications of all Section 3 employees and supporting documentation).

Date

Signature of Company Representative

maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise made available to the recipient or contractor.

APPENDIX TO PART 135

1. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents

(1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.

(2) Sponsoring a HUD-certified "Step-Up" employment and training program for section 3 residents.

(3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.

(4) Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in §135.34) reside.

(5) Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For HAs, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.

(6) Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.

(7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.

(8) Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.

(9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

(10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.

(11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.

(12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.

(13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.

(15) For an HA, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)

(16) Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions.

(17) Undertaking job counseling, education and related programs in association with local educational institutions.

(18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents

previously hired for employment opportunities.

(19) After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

II. Examples of Efforts To Award Contracts to Section 3 Business Concerns

(1) Utilizing procurement procedures for section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of section 3 compliance as evidenced by past actions and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying section 3 businesses which may solicit bids or proposals for contracts for work in connection with section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the HIA.

(5) For HIAs, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that section 3 business concerns can take advantage of upcoming contracting opportunities, with such

information being made available in languages other than English where appropriate.

(10) Advising section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

(11) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of section 3 business concerns.

(12) Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by section 3 business concerns.

(13) Contacting agencies administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

(14) Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(15) Developing a list of eligible section 3 business concerns.

(16) For HIAs, participating in the "Contracting with Resident-Owned Businesses" program provided under 24 CFR part 903.

(17) Establishing or sponsoring programs designed to assist residents of public or Indian housing in the creation and development of resident-owned businesses.

(18) Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to section 3 business concerns.

(19) Supporting businesses which provide economic opportunities to low income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the State and local levels.

(20) Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

(21) Actively supporting joint ventures with section 3 business concerns.

(22) Actively supporting the development or maintenance of business incubators which assist Section 3 business concerns.

III. Examples of Procurement Procedures That Provide for Preference for Section 3 Business Concerns

This Section III provides specific procedures that may be followed by recipients and contractors (collectively, referred to as the "contracting party") for implementing the section 3 contracting preference for each of

the competitive procurement methods authorized in 24 CFR 85.36(d).

(1) *Small Purchase Procedures.* For section 3 covered contracts aggregating no more than \$25,000, the methods set forth in this paragraph (1) or the more formal procedures set forth in paragraphs (2) and (3) of this Section III may be utilized.

(i) *Solicitation.* (A) Quotations may be solicited by telephone, letter or other informal procedure provided that the manner of solicitation provides for participation by a reasonable number of competitive sources. At the time of solicitation, the parties must be informed of:

- the section 3 covered contract to be awarded with sufficient specificity;
- the time within which quotations must be submitted; and
- the information that must be submitted with each quotation.

(B) If the method described in paragraph (1)(A) is utilized, there must be an attempt to obtain quotations from a minimum of three qualified sources in order to promote competition. Fewer than three quotations are acceptable when the contracting party has attempted, but has been unable, to obtain a sufficient number of competitive quotations. In unusual circumstances, the contracting party may accept the sole quotation received in response to a solicitation provided the price is reasonable. In all cases, the contracting party shall document the circumstances when it has been unable to obtain at least three quotations.

(ii) *Award.* (A) Where the section 3 covered contract is to be awarded based upon the lowest price, the contract shall be awarded to the qualified section 3 business concern with the lowest responsive quotation, if it is reasonable and no more than 10 percent higher than the quotation of the lowest respon-

sive quotation from any qualified source. If no responsive quotation by a qualified section 3 business concern is within 10 percent of the lowest responsive quotation from any qualified source, the award shall be made to the source with the lowest quotation.

(B) Where the section 3 covered contract is to be awarded based on factors other than price, a request for quotations shall be issued by developing the particulars of the solicitation, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation shall identify all factors to be considered, including price or cost. The rating system shall provide for a range of 15 to 25 percent of the total number of available rating points to be set aside for the provision of preference for section 3 business concerns. The purchase order shall be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

(2) *Procurement by sealed bids (Invitations for Bids).* Preference in the award of section 3 covered contracts that are awarded under a sealed bid (IFB) process may be provided as follows:

(i) Bids shall be solicited from all businesses (section 3 business concerns, and non-section 3 business concerns). An award shall be made to the qualified section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid—

(A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

(B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

	x=lesser of:
When the lowest responsive bid is less than \$100,000	10% of that bid or \$9,000.
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000	9% of that bid, or \$18,000.
At least \$200,000, but less than \$300,000	8% of that bid, or \$24,000.
At least \$300,000, but less than \$400,000	7% of that bid, or \$28,000.
At least \$400,000, but less than \$500,000	6% of that bid, or \$30,000.
At least \$500,000, but less than \$1 million	5% of that bid, or \$40,000.
At least \$1 million, but less than \$2 million	4% of that bid, or \$80,000.
At least \$2 million, but less than \$4 million	3% of that bid, or \$120,000.
At least \$4 million, but less than \$7 million	2% of that bid, or \$140,000.
\$7 million or more	1½% of the lowest responsive bid, with no dollar limit.

(ii) If no responsive bid by a section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

(3) *Procurement under the competitive proposals method of procurement (Request for Proposals (RFP)).* (i) For contracts and sub-

contracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(ii) One of the evaluation factors shall address both the preference for section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement (section 3 strategy), as disclosed in proposals submitted by all business concerns (section 3 and non-section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.

(iii) The component of this evaluation factor designed to address the preference for section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iv) With respect to the second component (the acceptability of the section 3 strategy), the RFP shall require the disclosure of the contractor's section 3 strategy to comply with the section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable section 3 strategy. The contract award shall be made to the responsible firm (either section 3 or non-section 3 business concern) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

PART 146—NONDISCRIMINATION ON THE BASIS OF AGE IN HUD PROGRAMS OR ACTIVITIES RECEIVING FEDERAL FINANCIAL ASSISTANCE

Subpart A—General

Sec.

146.1 Purpose of the Age Discrimination Act of 1975.

146.3 Purpose of HUD's age discrimination regulation.

146.5 Applicability of part.

146.7 Definitions.

Subpart B—Standards for Determining Age Discrimination

146.11 Scope of subpart.

146.13 Rules against age discrimination.

Subpart C—Duties of HUD Recipients

146.21 General responsibilities.

146.23 Notice of subrecipients.

146.25 Assurance of compliance and recipient assessment of age distinctions.

146.27 Information requirements.

Subpart D—Investigation, Settlement, and Enforcement Procedures

146.31 Compliance reviews.

146.33 Complaints.

146.35 Mediation.

146.37 Investigation.

146.39 Enforcement procedures.

146.41 Prohibition against intimidation or retaliation.

146.43 Hearings, decisions, post-termination proceedings.

146.45 Exhaustion of administrative remedies.

146.47 Remedial and affirmative action by recipients.

146.49 Alternate funds disbursement procedure.

AUTHORITY: 42 U.S.C. 3535(d) and 6103.

SOURCE: 51 FR 45266, Dec. 17, 1986, unless otherwise noted.

Subpart A—General

§ 146.1 Purpose of the Age Discrimination Act of 1975.

The Age Discrimination Act of 1975 (the Act) prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. The Act, however, permits federally assisted programs and activities and recipients of Federal funds to continue to use certain age distinctions and factors other than age which meet the requirements of the Act and this part.

§ 146.3 Purpose of HUD's age discrimination regulation.

The purpose of this part is to state HUD's policies and procedures under the Age Discrimination Act of 1975, consistent with the government-wide age discrimination regulation contained at 45 CFR part 90.

§ 146.5 Applicability of part.

This part applies to each program or activity that receives Federal financial assistance provided by HUD.

§ 146.7 Definitions.

The terms *HUD* and *Secretary* are defined in 24 CFR part 5.

Act means the Age Discrimination Act of 1975, 42 U.S.C. 6101-07.

Action means any act, activity, policy, rule, standard, or method of administration or the use of any policy,

§ 135.38 - SECTION 3 CLAUSE

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

Exhibit "2"

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



SECTION 3 HIRING PLAN
(For General Contractors – Submit to MSPA)
(For Subcontractors – Submit to General Contractor)

Instructions 1. All general contractors on this Project must propose a Section 3 Hiring Plan. 2. All subcontractors on this Project must propose a Section 3 Hiring Plan. 3. The general contractor will review Hiring Plans of subcontractors for compliance with Section 3 requirements. 4. The general contractor must report monthly on their plan while they are performing contract-related work. Any changes to anticipated hiring must be reflected in updates to the Plan.
--

Company Name: _____ Project _____

Contact Person / Phone #: _____ Bid/Contract Amount: _____

Total New Hires Anticipated. Enter number of new hires anticipated in connection with this contract to the right, and list the positions below.		
POSITION TITLE	ESTIMATED JOB LENGTH	SEC 3 HIRE ANTICIPATED?
Total Section 3 Hires Anticipated Enter total number of Section 3 hires anticipated.		

NOTE: IF NO NEW HIRES ARE EXPECTED, AN EXPLANATION MUST BE PROVIDED BELOW.

Description of Efforts to Target Employment to Section 3 Residents

Describe how you will target Section 3 residents for employment opportunities to meet the hiring goals that you have established in this plan.

- ☐ Publish employment opportunities in local newspaper, indicating preference for Section 3 residents.
- ☐ Publish employment opportunities with the "Hiring Plan Sources" marked on the Section 3 Referral Sources form.
- ☐ Other _____

Section 3 Referral Sources

Please complete the Referral Sources page and attach to this plan.

 Date
 135876.1

 Signature of Company Representative



SECTION 3 Referral Sources
(To be submitted with the Hiring Plan and Subcontracting Plan)

Hiring Plan Sources

- ☐ Mississippi Housing Authority
- ☐ WIN Job Center
- ☐ Regional Housing Authority
- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Long Beach Housing Authority
- ☐ North Gulfport Civic Club
- ☐ NAACP Gulfport Branch
- ☐ Forest Heights Homeowners
- ☐ Turkey Creek Homeowners Association
- ☐ West Gulfport Civic Club
- ☐ Magnolia Grove Homeowners
- ☐ Soria City Civic Organization
- ☐ The Quarters Group
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

Subcontracting Plan Sources

- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Mississippi Housing Authority
- ☐ Regional Housing Authority
- ☐ Mississippi Procurement Center
- ☐ Ms Association of Builders & Contractors
- ☐ Associated General Contractors of Mississippi
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____



SECTION 3 SUBCONTRACTING PLAN
 (For General Contractors that intend to subcontract – Submit to MSPA)
 (For Subcontractors that intend to subcontract – Submit to General Contractor)

Instructions

1. All general contractors must complete a Section 3 Subcontracting Plan if intending to subcontract.
2. All subcontractors must complete a Section 3 Subcontracting Plan if intending to subcontract.
3. The general contractor will review Subcontracting Plans for compliance with the project's Section 3 requirements.
4. The general contractor must report monthly on their plan while they are performing contract-related work. Any changes to anticipated subcontracting must be submitted to the MSPA or general contractor, as applicable.

Company Name: _____ Project _____
 Contact Person / Phone #: _____ Bid/Contract Amount: _____

Subcontracts Anticipated

List all subcontracts anticipated in connection with this contract below

SUBCONTRACT (TYPE OF WORK)	DOLLAR AMOUNT ESTIMATED	SEC 3 HIRE ANTICIPATED?
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Section 3 Subcontracts Anticipated	\$	
What dollar value do you anticipate contracting with Section 3 businesses?	\$	

Description of Efforts to Target Contracting to Section 3 Businesses

Describe how you will target Section 3 businesses for contracting opportunities to meet the hiring goals that you have established in this plan.

- ☐ Publish subcontracting opportunities in local newspaper, indicating preference for Section 3 Business Concerns.
- ☐ Publish subcontracting opportunities with the "Subcontracting Plan Sources" marked on the Section 3 Referral Sources form.
- ☐ Other _____

Section 3 Referral Sources

Please complete the Referral Sources page and attach to this plan.

DATE _____
 135879.1

Signature of Company Representative _____



SECTION 3 Referral Sources
(To be submitted with the Hiring Plan and Subcontracting Plan)

Hiring Plan Sources

- ☐ Mississippi Housing Authority
- ☐ WIN Job Center
- ☐ Regional Housing Authority
- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Long Beach Housing Authority
- ☐ North Gulfport Civic Club
- ☐ NAACP Gulfport Branch
- ☐ Forest Heights Homeowners
- ☐ Turkey Creek Homeowners Association
- ☐ West Gulfport Civic Club
- ☐ Magnolia Grove Homeowners
- ☐ Soria City Civic Organization
- ☐ The Quarters Group
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

Subcontracting Plan Sources

- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Mississippi Housing Authority
- ☐ Regional Housing Authority
- ☐ Mississippi Procurement Center
- ☐ Ms Association of Builders & Contractors
- ☐ Associated General Contractors of Mississippi
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

APPENDIX E

	SECTION 3 BUSINESS CONCERN CERTIFICATION Eligibility for Preference												
Instructions: 1. This form must be completed by all contractors to certify whether they qualify for preference as a Section 3 Business Concern. 2. All contractors must certify that they shall follow a Section 3 Hiring Plan and, if applicable, a Section 3 Subcontracting Plan.													
Company Name: _____ Address: _____ Contact Person: _____ Phone Number: _____ Number of Employees: _____ (full time) _____ (part time)													
1. Does your firm represent and certify that it is a Section 3 business concern? <div style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No (if no, go to #2) </div> <p>If yes, please check all that apply. The contractor represents and certifies that:</p> <div style="margin-left: 20px;"> <input type="checkbox"/> The contractor's firm is 51 percent or more owned by Section 3 residents; or <input type="checkbox"/> The contractor's permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of their first employment with the business were Section 3 residents; or <input type="checkbox"/> The contractor hereby commits to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded by the business under the proposed contract to Section 3 businesses that meet the above two criteria, as identified below and detailed further in the contractor's Section 3 Subcontracting Plan: </div> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left; width: 50%;">SUBCONTRACTOR NAME</th> <th style="text-align: left; width: 50%;">SUBCONTRACT AMOUNT</th> </tr> </thead> <tbody> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> </tbody> </table>		SUBCONTRACTOR NAME	SUBCONTRACT AMOUNT	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____
SUBCONTRACTOR NAME	SUBCONTRACT AMOUNT												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
2. My firm is not eligible to certify as a Section 3 business concern. Instead, my firm: <div style="margin-left: 20px;"> <input type="checkbox"/> Shall complete and follow a Section 3 Hiring Plan and, if applicable, a Section 3 Subcontracting Plan. </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 30%;"> _____ <small>DATE</small> </div> <div style="width: 60%;"> _____ <small>SIGNATURE OF COMPANY REPRESENTATIVE</small> </div> </div>													



SECTION 3 RESIDENT CERTIFICATION - 2013

Eligibility for Preference

Instructions:

1. A section 3 resident seeking preference in training and employment must certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3 resident, as defined in Section 135.5 of 24 CFR.
2. To indicate your eligibility for preference, complete this form and submit it to the contractor or subcontractor that has advertised the position you are seeking.

Submitted to: _____ ("Contractor") ("Subcontractor").

I, _____, am a legal resident of _____

My permanent address is: _____

Number in Household: _____

Total current gross household income: _____

I am a Section 3 resident because **(must check one)**:

- ☐ I am a resident of public housing, OR
- ☐ I meet the income eligibility guidelines below (circle applicable income limit).

I have attached the following documentation as evidence of my status (provide at least one):

- ☐ Copy of lease in a Federally assisted program
- ☐ Copy of receipt of public assistance
- ☐ Copy of evidence of participation in public assistance program that assists low or very low income persons
- ☐ Other evidence: _____
- ☐ Copy of income tax return

SECTION 3 INCOME LIMITS

All residents of public housing developments qualify as Section 3 residents. Additionally, individuals residing in the Gulfport-Biloxi metro area who meet the income limits set forth below can also qualify for Section 3 status.

Number in Household	Annual Household Income Less Than
1	\$30,650
2	\$35,000
3	\$39,400
4	\$43,750
5	\$47,250
6	\$50,750
7	\$54,250
8	\$57,750

Revised with 2013 Income Limits

I certify that my answers are true and complete to the best of my knowledge. If my application leads to employment, I understand that false or misleading information in this certification or other information provided to contractor or subcontractor may result in my termination. The undersigned acknowledges that Contractor and the Mississippi State Port Authority will rely on the accuracy of the information contained herein and, therefore, any person who misrepresents its status may be subject to criminal and administrative remedies.

DATE

SIGNATURE

APPENDIX G



Section 3 Status Report – Hiring / Subcontracting Activity (For General Contractor – Submit to MSPA monthly) (For Subcontractors – Submit to General Contractor monthly)

Instructions

1. The general contractor and all subcontractors must provide monthly status reports on their Section 3 Hiring Plan and Section 3 Subcontracting Plan (if subcontracting any work).
2. List all positions filled and subcontracts executed in connection with the Section 3 project to date, and explain any changes from the approved Plan.
3. Submit all backup Section 3 Resident and Business Certification forms with the report.
4. Reports must be submitted to the MSPA (by general contractor) and the general contractor (by subcontractors) no later than 10 days after the end of each month.

Company Name: _____

Contact Person/Phone: _____

Project Name: _____

Reporting Period: _____

Hiring Categories (Definitions Enclosed)

- | | |
|---------------------------|------------------------------|
| 1) Professionals | 6) Craft Workers (skilled) |
| 2) Technicians | 7) Operatives (semi-skilled) |
| 3) Office and Clerical | 8) Laborers (unskilled) |
| 4) Officials and Managers | 9) Service Workers |
| 5) Sales | |

HIRING List position titles for all new hires AND names of persons hired to date (e.g., Carpenter – John Smith)	Sec 3 Resident Hired? (Y/N)	Hiring Category	# of Sec 3 Residents Interviewed	Referral Sources Utilized	If Sec 3 Resident not hired, provide a reason

SUBCONTRACTING Name of subcontractors selected in connection with the project to date	Section 3 Business Selected? (Y/N)	Dollar Value of Contract	Contract Date	# of Sec 3 businesses that bid on contract	Referral Sources Utilized	If Sec 3 Business not selected, provide a reason

APPENDIX H



SECTION 3 PROJECT SUMMARY REPORT (For General Contractor - Submit to Owner monthly)

Project Name: _____
Owner Name: _____
Owner Contact Person/Phone: _____
Report Updated as of: _____ (Month/Day/Year)
General Contractor: _____
PSP Contact Person/Phone: _____

Hiring Categories (Definitions Enclosed)	
1) Professionals	6) Craft Workers (skilled)
2) Technicians	7) Operatives (semi-skilled)
3) Office and Clerical	8) Laborers (unskilled)
4) Officials and Managers	9) Service Workers
5) Sales	

General Contractor/Subcontractor Name	Contract Amount	Certified as Section 3 Business? (Y/N)	Section 3 Plan Received?	Currently Active on Project? (Y/N)	SEC 3 PLAN #s		Hiring Categories	ACTUAL #s		% of Aggregate Number of Staff Hours of New Hires that are Section n3	% of Total Staff Hours for Section 3 Employees and Trainees	Number of Section 3 Trainees
					Goal for New Hires	Goal for Sec 3 Hires		Actual New Hires to Date	Actual Sec 3 Hires to Date			
	\$ -						1					
	\$ -						2					
	\$ -						3					
	\$ -						4					
	\$ -						5					
	\$ -						6					
	\$ -						7					
	\$ -						8					
	\$ -						9					
	\$ -						1					
	\$ -						2					
	\$ -						3					
	\$ -						4					
	\$ -						5					
	\$ -						6					
	\$ -						7					
	\$ -						8					
	\$ -						9					

Complete as many as necessary for reporting

SUBCONTRACTING						HIRING			
PROJECT TOTALS	Total Contract Amount Available to Subcontract*	Amount Contracted to Sec 3 Businesses	Percentage Subcontracted to Section 3 Businesses	Total # of Section 3 Businesses	Goals in Section 3 Project Plan met? (Y/N)	Total Actual New Hires	Total Actual Sec 3 Hires	Percentage of Section 3 Hires	Goal in Section 3 Project Plan met? (Y/N)
Enter totals for entire project.	\$ -	\$ -							

*Use the GC contract amount less P&P bond, profit and overhead, etc.

APPENDIX I

WINGS PARTICIPANT PROFILE FORM

					1. Social Security Number																													
2. Prefix	First Name	M. I.	Last Name	Suffix	Preferred Name																													
3. U.S. Worker Status		4. Date of Birth		5. Ethnicity																														
<input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Permanent Resident <input type="checkbox"/> Work Authorized Alien <input type="checkbox"/> Not U.S. Citizen or Eligible Worker		<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Did not disclose		<table border="1"> <thead> <tr> <th></th> <th>Yes</th> <th>No</th> <th>Did Not Disclose</th> </tr> </thead> <tbody> <tr> <td>Hispanic/Latino</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Native American/Alaskan Native</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Asian</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Black/African American</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Native Hawaiian/ Pacific Islander</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>White/Caucasian</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>				Yes	No	Did Not Disclose	Hispanic/Latino	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Native American/Alaskan Native	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Asian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Black/African American	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Native Hawaiian/ Pacific Islander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	White/Caucasian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	Did Not Disclose																															
Hispanic/Latino	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																															
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Native Hawaiian/ Pacific Islander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																															
White/Caucasian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																															
7. Veteran	8. Disability	8a. Disability Class		9. Employment Status		10. Best method of contact																												
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Did not disclose	<input type="checkbox"/> Physical <input type="checkbox"/> Mental <input type="checkbox"/> Both Physical & Mental <input type="checkbox"/> Did not disclose		<input type="checkbox"/> Not Employed <input type="checkbox"/> Employed <input type="checkbox"/> Received Layoff Notice		<input type="checkbox"/> Phone <input type="checkbox"/> E-Mail <input type="checkbox"/> Mail																												
11. Mailing Address		City		County	State	Zip																												
12. Physical Address (if different from above)		City		County	State	Zip																												
13. Primary Phone		14. Alternate Phone		15. E-mail address																														
16. Has Driver's License?		17. Selective Service Registered		18. Permanent Residence	19. Offender	20. Low-Income																												
<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, indicate the class: <input type="checkbox"/> R <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No																												
STAFF USE ONLY																																		
22. Unemployment Insurance Status		23. Farmworker Status		24. Receives SSI/SSDI																														
<input type="checkbox"/> Claimant Referred by WPRS <input type="checkbox"/> Claimant Not Referred by WPRS <input type="checkbox"/> Exhaustee <input type="checkbox"/> Neither Claimant or Exhaustee		<input type="checkbox"/> Farmworker <input type="checkbox"/> Migrant <input type="checkbox"/> Migrant Farmworker <input type="checkbox"/> No		<input type="checkbox"/> SSI Only <input type="checkbox"/> SSDI Only <input type="checkbox"/> Both, SSI and SSDI <input type="checkbox"/> No																														
25. Nat. Farmworker Job Services	26. Job Corp Services	27. Indian/Native Amer. Program Services		28. Youth Build Services	29. Special ETA Project ID																													
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No																														
Access MS Account Set-Up																																		
Please print the following answers exactly as it should be keyed.																																		
30. User ID (6-30 characters)				31. Password (8-12 characters)																														
32. Security Question (choose one and print the answer exactly as it should be keyed)				<input type="checkbox"/> What is your pet's name? _____ <input type="checkbox"/> Where did you go to high school? _____ <input type="checkbox"/> What is your mother's maiden name? _____ <input type="checkbox"/> In what city were you born? _____ <input type="checkbox"/> What is your favorite color? _____																														

Revised 4/2012

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Part 309.

Mississippi State Port Authority's Section 3 Plan

Port Restoration

BEGINS ON NEXT PAGE

Section 3 Plan

Port Restoration

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APPENDIX I – HUD Job Applicant Survey

Introduction and General Policy Statement

The Mississippi State Port Authority (sometimes referred to herein as the “MSPA” or the “Port Authority”) continues to rebuild the Port at Gulfport which was nearly completely destroyed by Hurricane Katrina on August 29, 2005. In response to the devastation, Congress allocated federal aid through a U.S. Housing and Urban Development Community Development Block Grant to reestablish a sustainable port. The federal aid purposes are supported by the policies of the Mississippi State Port Authority and described in this Section 3 Plan.

This Section 3 Plan outlines and describes the Mississippi State Port Authority’s policies for notifying Section 3 residents and business concerns about employment, training and contracting opportunities and the Port Authority’s, including its Contractors and Subcontractors, obligations concerning outreach, recordkeeping, monitoring and enforcement activities to ensure the Port Authority is, to the greatest extent feasible, directing employment and contracting opportunities to Section 3 residents and business concerns.

Section 3 Purpose

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) and implementing regulations at 24 C.F.R.135 (Section 3) requires recipients and subrecipients such as the Mississippi State Port Authority to ensure that employment and other economic and business opportunities generated by the Department of Housing and Urban Development (HUD) financial assistance shall, to the greatest extent feasible, consistent with existing Federal, State and local laws and regulations, be directed to low- and very low- income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons. The Mississippi State Port Authority fully embraces the spirit and intent of Section 3 and has set forth policies and procedures in accordance therewith. Such policies are applicable to contractors, subcontractors and others engaged in projects funded through the Mississippi State Port Authority with funds sourced from HUD.

In implementation of these policies and in order to assist in the achievement of the primary objective of connecting low- and very low-income persons with economic opportunities associated with the Port Authority’s Section 3 Covered Projects, the Port Authority has created a full-time, dedicated staff position for a Compliance ~~Manager~~ Officer tasked with monitoring and enforcement of the Port Authority’s Section 3 policies, ~~and employs a Workforce Development Coordinator tasked with overall responsibility for implementation of the Port Authority’s Section 3 Plan.~~

MSPA Section 3 Outreach & Training Activities

To further facilitate the Port Authority’s commitment to the achievement of the numerical goals for itself and its Contractors and Subcontractors, the Port Authority supports broad outreach, education and training relative to Section 3. The cornerstone of the Port Authority’s outreach and training effort is the establishment of the Pathways to the Port Program.

MSPA, in conjunction with the Mississippi Development Authority (the “MDA”), has partnered with the Mississippi Department of Employment Security (“MDES”) to recruit and refer eligible applicants, and to provide employers with a one-stop resource for job posting and qualified workers. MDES operates a network of WIN Job Centers which have traditionally been the link between employers and the workforce. The Centers provide applicants with assessment, job search and placement assistance, as well as access to computers and job readiness training. Applicants in need of additional training will be screened and referred to training providers.

MDES has developed the Workforce Investment Global Services or “WINGS”, an integrated web solution that can be used by employers to post jobs, find qualified applicants and manage job applications posted in the system. The process is as follows:

- Pathways Program will require all the Program Participants to submit job postings through WINGS for all newly created or replacement positions.
- The WIN Job Center will provide a list of qualified job seekers with preference to low- and very low- income persons.
- MDES will provide the Program participant with the list of qualified job seekers from the WIN Job Center.
- The Pathways to the Port participant will then interview the candidates qualified for the open position and may choose to hire from the list provided if possible. Once the program participant has made a hiring decision regarding the position, the participant shall inform MDES of its decision.
- When a candidate is chosen from the list or another source, the Program participant will complete the Job Applicant Survey Form (substantially in the form set forth in Appendix I) and submit it to the ~~Workforce Development Coordinator~~ Compliance Officer or its designee for recordkeeping and reporting. .

The Pathways Program will be a focused and accountable model initiative. Applicants will be tracked in the State’s performance management system to measure and report on hiring and other outcomes.

Program Outreach:

MSPA jobs outreach program in order to ~~quantifies~~ quantify the direct and indirect jobs of contractors and subcontractors resulting from the Port Authority’s Section 3 Covered Projects and to make them available to all sections of the community, including low- to very low- income residents.

The entire community in the vicinity of the Port at Gulfport will be targeted. The community shall consist of the MSA.¹ However, particular attention will be paid to low- and very low-income persons. The outreach campaign will include purchasing authorities, community-based

¹ <http://www.mississippi.org/assets/docs/maps/msas.pdf>

organizations, WIN Job Centers, libraries, and media resources (e.g., The Sun Herald, WLOX, posting and distributing flyers, a website).

Workforce Training

The State of Mississippi has successfully developed a workforce training system utilizing the resources of the State's network of community colleges, senior colleges, State and local economic development agencies, and related business entities. This system has successfully provided hundreds of citizens, many of whom are low- and very low income- persons, with the job training and related education to find employment with the major manufacturing industries and businesses of the State, including Nissan and Toyota. This system has been nationally recognized for its innovation and abilities to provide a highly skilled workforce for these industries. The Pathways Program will partner this approach with existing state workforce system, to plan, implement and oversee training, recruitment, and hiring needs for the Port and the Program Participants. The Pathways Program will identify the fundamental/core skills needed in order to equip unskilled and under-skilled workers to fill entry-level demand jobs.

The Pathways Program will work with businesses, community colleges, and other training providers as necessary to meet job training needs. Training will be easily accessible, flexible and will be provided at very low or no cost to eligible applicants.

Three key training providers have been identified: (1) the Mississippi Gulf Coast Community College, which has three campuses and has offered the use of its West Harrison Center located in Harrison County to be used exclusively for the Pathways Program training; (2) Pearl River Community College, which has campuses in Hancock and Pearl River County; and (3) the Ship Building Academy located in Jackson County.

Existing curriculum will be customized to meet training needs. Training will lead to portable industry recognized credentials. Existing training includes, logistics, diesel equipment and office system technologies; heavy equipment operations; construction skills; OSHA; crane simulation; commercial truck driving and career readiness certificates.

The ~~Workforce Development Coordinator~~ Compliance Officer will also evaluate Section 3 eligibility based on the data submitted by contractors. The Compliance ~~Manager~~ Officer shall review and have oversight over all certifications.

Assuring Compliance with Section 3 Policies

Applicants will be tracked in the State's performance management system to measure and report on hiring and other outcomes.

The Section 3 Clause (see Appendix A) and implementation of all Section 3 Reporting Forms (as referenced in the Table of Contents above) become part of the contractual documents between the Port Authority and any Contractor and their Subcontractors. Further, the Port Authority shall require the Section 3 Clause and the implementation of the Section 3 Reporting Forms to be incorporated into any contract between a Contractor and Subcontractor. The Compliance ~~Manager~~ Officer is available to provide technical assistance to Contractors,

Subcontractors, and others during the course of the Section 3 Covered Project. The Compliance ~~Manager~~ Officer will routinely monitor each party's continued compliance with the reporting requirements specified in the Section 3 Reporting Forms, any party's failure to properly satisfy such requirements can be construed by the Port Authority as a breach of such party's contract and may further result in the Port Authority's termination of such contract and debarment or suspension of such party from future Port Authority HUD-assisted contracts.

~~The Workforce Development Coordinator will be responsible for the implementation of the MSPA's Section 3 Plan, the successful accomplishment the Pathways to the Port Program (as described below) goals and the National Objective to make available 51% of the jobs created to low and very low income persons. The Workforce Development Coordinator will:~~

- ~~• Develop training inventory and plan;~~
- ~~• Interview employers associated with the Port Authority to determine what jobs, special skills and training are needed;~~
- ~~• Maintain Port Authority partner coordination with the Mississippi Department of Employment Security to establish the low and very low income persons referral, tracking, and reporting processes;~~
- ~~• Gather information on employment opportunities from contractor and subcontractors, and communicate all job opportunities throughout the Section 3 community;~~
- ~~• Provide oversight of the Pathways Program; and~~
- ~~• Perform such other activities as may be requested by the Compliance Manager.~~

MSPA Section 3 Employment & Contracting Goals

The MSPA has set minimum numerical goals for the Project to ensure that, to the greatest extent feasible, economic opportunities are provided to Section 3 residents and Section 3 business concerns. The Port Authority's current minimum Section 3 goals are as follows:

- Employment: Thirty percent (30%) of the aggregate number of new hires during each year of the project;
- Contracting: (a) At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for public construction, and (b) At least three percent (3%) of the total dollar amount of all other covered Section 3 contracts to eligible Section 3 business concerns.

The goals established by this section apply to the entire amount of Section 3 covered assistance under the Project. The Port Authority will further ensure that, to the greatest extent feasible, its Contractors and/or Subcontractors provide training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns. The ~~Workforce Development Coordinator~~ Compliance Officer will be responsible for reviewing the new hire clause with Contractors and Subcontractors to ensure that the requirement is understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to employ Section 3 program participants before any other person, when hiring additional employees needed to complete proposed work to be performed with HUD funds.

Contractors:

- Shall incorporate the Section 3 Clause (Appendix A) in their contracts and subcontracts.
- Shall submit a Section 3 Project Plan (substantially in the form set forth in Appendix B), Section 3 Hiring Plan (substantially in the form set forth in Appendix C) and Section 3 Subcontracting Plan (substantially in the form set forth in Appendix D), if applicable, with their proposals detailing the estimate of the number of employment and/or subcontracting opportunities to be generated by the initial contract, for approval in accordance with the MSPA's Section 3 Plan and shall incorporate and implement such plans in connection with their contracted activities. The Contractors' plans must be reflective of the MSPA's Section 3 goals.
- Shall document and report all efforts made toward the implementation and achievement of goals contained with their approved Section 3 Project Plan and Section 3 Hiring Plan, including detailed narratives of all interviewing, hiring and training activities. Contractors shall maintain records documenting such activities to be made available for monitoring and compliance reviews.
- Shall along with supporting documentation submit the Section 3 Business Certification (substantially in the form set forth in Appendix E) in connection with the retention or certification of any Section 3 business concerns.
- Shall, as applicable, submit the Section 3 Resident Certification (substantially in the form set forth in Appendix F) along with supporting documentation in connection with the interviewing, training or hiring of any Section 3 resident. Copies of all supporting documentation shall be maintained by contractors and available for monitoring and compliance reviews.
- Shall, on a monthly basis, timely submit to the MSPA all required Section 3 Reports, including the Section 3 Status Report Hiring/Subcontracting Activity form (substantially in the form set forth in Appendix G) to MSPA and the Section 3 Project Summary Report (substantially in the form set forth in Appendix H).
- Shall, if applicable, demonstrate and document to the satisfaction of the Compliance ~~Manager~~ Officer why meeting the Section 3 numerical goals was not feasible for Contractor or its Subcontractor(s).
- Shall report their employment opportunities to the ~~Workforce Development Coordinator for posting~~ Compliance Officer or its designee. Contractors shall post all employment opportunities with the MS WIN Job Center and shall review the MS WIN Job Center job-seeker postings provided ~~by the MSPA or the Workforce Development Coordinator~~ prior to filling any position for the Project.
- Shall perform such other Section 3 compliance activities as may be reasonably requested by the Port Authority.

Subcontractors

- Shall incorporate the Section 3 Clause in their contracts and subcontracts.
- Shall submit a Section 3 Hiring Plan and Section 3 Subcontracting Plan along with supporting documentation to their respective Contractors for submission to and approval of the MSPA. Subcontractors shall incorporate and implement such plans in connection with their contracted activities. The Subcontractor's plans must be reflective of the MSPA's Section 3 goals.
- Shall document and report all efforts made toward the implementation and achievement of goals contained within their approved Section 3 Hiring Plan and Section 3 Subcontracting Plan, including detailed narratives of all interviewing, hiring and training activities. Subcontractors shall maintain records documenting such activities to be made available for monitoring and compliance reviews.
- Shall, as applicable, submit the Section 3 Business Certification in connection with the retention or contracting of any Section 3 business concern and the Section 3 Resident Certification along with supporting documentation in connection with the interviewing, training or hiring of any Section 3 resident. All supporting documentation shall be maintained and available for monitoring and compliance reviews.
- Shall, on a monthly basis, timely submit to the Contractor for submission to the MSPA, all required Section 3 Reporting Forms, including, but not necessarily limited to, the Section 3 Status Report Hiring/Subcontracting Activity form.
- Shall report their employment opportunities to the ~~Workforce Development Coordinator for posting~~ Compliance or its designee. Subcontractors shall post all employment opportunities with the MS WIN Job Center and shall review the MS WIN Job Center job-seeker postings provided ~~by the MSPA or the Workforce Development Coordinator~~ prior to filling any position for the Project.
- Shall perform such other Section 3 compliance activities as may be reasonably requested by the Port Authority.

Port Authority

The Port Authority recognizes that the ultimate responsibility for compliance with the Port Authority's Section 3 Plan rests with the Port Authority, including, but not limited to responsibility for any tasks which are performed by a designee of the Port Authority, the Compliance Officer or both. In recognition thereof, the Port Authority will:

- Establish and maintain the roles of the ~~Workforce Development Coordinator and Compliance Manager~~ with Officer, or its designee, who shall have primary responsibility for assuring that the Section 3 implementation procedures are consistently carried out.

- Incorporate the Section 3 Clause and Section 3 Forms in all solicitations and bidding documents.
- Require the submission of Section 3 Plans for review and approval by the Compliance ~~Manager~~ Officer prior to the commitment by the Port Authority of any funding to Section 3 Covered Projects.
- Conduct meetings with Contractors to discuss the review of Section 3 Plans and Forms of the Contractors and their Subcontractors.
- Require approved Section 3 Plans and Forms to become a part of the set of contractual documents.
- Require Contractor's and Subcontractor's submission of a periodic Section 3 Reports for review prior to award for compliance.
- Regularly conduct compliance monitoring of all contracts which embody Section 3 plans. The Port Authority shall, no less than two (2) times per year, review with Contractors to perform a comprehensive analysis of compliance by each Contractor.
- Regularly conduct compliance monitoring of all supporting documentation for data submitted by Contractors and Subcontractors.
- Hold workshops, as necessary, on the Port Authority's Section 3 Program.
- Prepare and submit reports to MDA and HUD (as set forth below) on the Section 3 Program results. All supporting documentation will be maintained by the Port Authority for compliance and monitoring reviews.
- ~~The Workforce Development Coordinator will~~ Compliance Officer or its designee will work with the Mississippi Department of Employment Security to provide the Contractors and Subcontractors with a list of qualified job seekers.
- Shall perform or establish any such other activities or policies which the Port Authority deems prudent or necessary in order to achieve the successful implementation the Port Authority's Section 3 goals.

Hiring Policies for Achievement of MSPA Section 3 Hiring Goals

The hiring policy as set forth herein is an essential component of any Section 3 Plan submitted to the Port Authority by Contractors and Subcontractors for approval. The Port Authority recognizes the importance of making sure that low- and very low- income residents residing in the Metropolitan Statistical Area benefit from any and all Section 3 Covered Projects built in their communities. As such, Contractors and Subcontractors are expected by the Port Authority to demonstrate in their Section 3 Plans and through their subsequent implementation of such

plans that Section 3 eligible residents are included in the hiring goals and are indeed beneficiaries of the plans' hiring policies and practices.

The Port Authority, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of section 3 covered assistance to section 3 residents in the order of priority listed below. Priority consideration shall be given, where feasible, to:

- Section 3 residents residing in the service area or neighborhood in which the section 3 covered project is located (collectively, referred to as category 1 residents).²
- Other section 3 residents.

Through the incorporation of the Port Authority's Section 3 Plan into its contracts, the Port Authority will expect Contractors and Subcontractors to:

- Conduct aggressive employment outreach to a number of community based agencies for new hires;
- Accept and give preferential employment consideration to referred Section 3 eligible residents;
- Provide appropriate employment outreach signage, flyers and advertisements in order to target and inform low- and very low- income residents of employment opportunities;
- Cooperate with the ~~Workforce Development Coordinator~~ and Compliance ~~Manager~~ Officer or its designee to undertake, to the greatest extent feasible, such efforts as they may deem necessary to achieve the Port Authority's Section 3 goals;
- Prior to beginning work, inform Section 3 participants of the development at which the work will be performed, by providing the following:
 - Names of the Section 3 business concerns to be utilized
 - Estimates of the number of employees to be utilized for contract
 - Projected number of available positions, to include job descriptions and wage rates (construction wages consistent with Davis Bacon).
 - Efforts that will be utilized to seek Section 3 participants;
- Notify the ~~Workforce Development Coordinator~~ Compliance Officer or its designee of any employment opportunities prior to hiring for such opportunities;
- Immediately notify the ~~Workforce Development Coordinator~~ Compliance Officer or its designee of any problems experienced due to the employment of Section 3 participants; and
- Immediately notify the ~~Workforce Development Coordinator~~ Compliance Officer or its designee if a participant quits, walks off, or is terminated for any reason. The contractor

² The categories below, which are not applicable to the Section 3 covered activity referenced herein, shall be given higher priority, if and when applicable:

- Participants in HUD Youthbuild programs (category 2 residents).
- Where the section 3 project is assisted under the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.), homeless persons residing in the service area or neighborhood in which the section 3 covered project is located shall be given the highest priority.

or subcontractor must provide written documentation of all such incidents to support such decisions to the Compliance Officer or its designee to determine if an investigation is warranted.

Certification of Section 3 Eligible Residents

Low- and very low- income persons who reside in the Gulfport/Biloxi Metropolitan Statistical Area may seek certification as “Section 3 eligible.” In order to seek Section 3 eligibility status, any individual may complete a Section 3 Resident Certification form and submit such form (including adequate proof of Section 3 eligibility, e.g. a copy of a lease with a housing authority, pay stub or income tax return) to Contractors and Subcontractors or to Program Participants through the Pathways Program. The ~~Workforce Development Coordinator~~ Compliance Officer is tasked with the responsibility of maintaining a current and accurate list of certified Section 3 eligible residents, and making referrals of certified Section 3 eligible residents to job and training opportunities.

- All persons determined by the ~~Workforce Development Coordinator~~ Compliance Officer to be Section 3 eligible can, by appointment, visit with the ~~Workforce Development Coordinator~~ Compliance Officer or its designee to complete a job readiness assessment as established by HUD.
- Once this assessment is complete, the Compliance Officer or its designee will determine if the individual meets the eligibility requirements and is job ready.
- If the individual is deemed eligible for Section 3 participation and deemed not ready for employment, a referral will be made to other agencies that are better equipped to address the individual’s needs, i.e., substance abuse providers, etc.
- The Section 3 job readiness component is a part of the MSPA commitment to provide economic opportunities and training to residents/eligible participants to become gainfully employed.

MSPA Preference for Contracting with Section 3 Business Concerns

The Mississippi State Port Authority is committed to and recognizes the importance of ensuring that Section 3 Eligible business concerns derive economic benefit from any and all MSPA Section 3 Projects in their communities. Likewise, contractors and subcontractors are required by the MSPA to demonstrate in their Section 3 plans and their subsequent implementation actions that Section 3 certified business concerns are included in the contracting goals and are indeed economic beneficiaries of the plan’s business and procurement policies and practices. The Mississippi State Port Authority’s Section 3 policy requires Section 3 business concerns to be given priority in contracting for work:³

³ The categories below, which are not applicable to the Section 3 covered activity referenced herein, shall be given higher priority, if and when applicable:

- Business concerns that are 51% ~~or~~ or more owned by residents of the housing development for which the work is performed, or whose full-time, permanent workforce includes 30% of these persons as employees.

Business concerns that are 51% or more owned by a Section 3 resident(s), or whose permanent, full-time workforce includes no less than 30% Section 3 residents or that subcontract in excess of 25% of the total amount of subcontracts to Section 3 business concerns.

Certification of Section 3 Business Concerns

All businesses conducting work with the Restoration Project shall complete the Section 3 Business Concern Certification form (substantially in the form set forth in Appendix E), which can be obtained from the ~~Workforce Development Coordinator~~ Compliance Officer. Any business seeking Section 3 certification must be able to provide adequate documentation as evidence of eligibility for preference under the Section 3 program. The ~~Workforce Development Coordinator~~ Compliance Officer will review such form and supporting documentation and make a determination as to whether to qualify the business as a Section 3 business concern.

The ~~Workforce Development Coordinator~~ Compliance Officer or its designee will maintain a current database capable of generating accurate listings of certified Section 3 business concerns and will make available listings of such concerns to any contractor or subcontractor interested in work pertaining to the Port Authority's Section 3 Covered Projects. Information from this database and all documentation submitted by any business will also be available to the ~~Manager~~ Compliance Officer who will be engaged in ongoing monitoring of Section 3 implementation and compliance.

Efforts to Award Contract Opportunities to Section 3 Business Concerns

Through the implementation of the Port Authority's Section 3 Plan through its contracts, the Port Authority will expect Contractors and Subcontractors to:

- Advertise contracting opportunities via selected referral sources identified in the form such as newspaper, plan rooms, posting notices that provide general information about the work to be contracted and where to obtain additional information.
- Provide written notice of contracting opportunities available to all known Section 3 business concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to the bid invitation.
- Coordinate pre-bid meetings at which Section 3 business concerns would be informed of upcoming contracting opportunities in advance.
- Conduct workshops on MSPA contracting procedures to include bonding, insurance, and other pertinent requirements, in a timely manner in an effort to allow Section 3 business concerns the opportunity to take advantage of any upcoming contracting opportunities.

-
- Business concerns that are 51% ~~or~~ or more owned by residents of the Authority's public housing development(s) other than the housing development where the work is to be performed; or whose full-time permanent workforce includes 30% of these persons as employees.
-

- Contact business assistance agencies and Minority and Women Businesses' contractor associations and community organizations to inform them of contracting opportunities and to request their assistance in identifying Section 3 businesses.
- During procurement of a project, a Section 3 Business Concern will be given a preference in an award pursuant to 24 CFR Part 135 Appendix, III.

Documenting Section 3 Efforts

- A. Monthly Reports. Section 3 monthly reports are required from all Contractors and Subcontractors of the Port Authority. Reports shall be due upon and submitted in conjunction with the monthly invoice from such Contractor (Contractors shall ensure that the monthly report(s) from its Subcontractor(s) are included in such submission) or due on such other date as reasonably requested by the Compliance Officer.
- B. Quarterly Reports. The Port Authority shall prepare quarterly reports detailing (i) all hiring, contracting and subcontracting activities and (ii) Pathways Program participant jobs data, including an executive summary of Pathways Program activities (including, but not necessarily limited to, the number of program participants, explanation of changes in participation, outreach activities and workforce training status) for the quarter. These quarterly reports shall be submitted separately to The Mississippi Development Authority, Post Office Box 849, Jackson, MS 39205.
- C. Annual Reports. The Port Authority will submit the annual Section 3 report to MDA for submission to HUD each year. All annual reports shall be submitted on HUD Form 60002, or other form as designated by HUD.

In support of each of the foregoing reports and to document compliance with the Section 3 Plan objectives, the Port Authority will receive and maintain records which, at a minimum, will include specific information and documentation to demonstrate whether the numerical goals were met and that the Port Authority and its Contracts and their Subcontractors carried out their responsibilities in accordance with their obligations. The ~~Manager~~ Compliance Officer shall review and confirm the information and documentation provided to monitor and enforce compliance with this Section 3 Plan.

Section 3 Complaint Procedures

- D. HUD Complaint Process⁴. Any Section 3 resident or business concern may file a complaint alleging noncompliance with Section 3 by a recipient, contractor or subcontractor. Complaints must be submitted to HUD within 180 days of the action or omission upon which the complaint is based. Complaints are to be filed in writing⁵ to:

⁴ HUD Complaint Registry: <http://portal.hud.gov/hudportal/documents/huddoc?id=958.pdf>

⁵ A complainant may provide information to be contained in a written complaint by telephone to HUD or any HUD Field Office, and HUD will reduce the information provided by telephone to writing on the prescribed complaint form and send the form to the complainant for signature.

~~Assistant Secretary for Fair Housing and Equal Opportunity~~
Atlanta Regional Office
United States Department of Housing and Urban Development
Southeast Office
~~451 Seventh~~ 40 Marietta Street, SW
Washington, DC 20410
Atlanta, GA 30303
Email: complaints_office_04@hud.gov

The written complaint must be signed by the complainant and must contain:

- The complainant's name and address;
- The name and address of the respondent of the complaint;
- A description of the acts or omissions by the respondent that is sufficient to inform the Assistant Secretary of the nature and date of the alleged noncompliance.

E. Port Authority Informal Complaint Process. Any Section 3 resident or business concern may file an informal complaint alleging noncompliance with Section 3 by a recipient, contractor or subcontractor. Informal complaints will be investigated by the Compliance ~~Manager~~ Officer. Filing an informal complaint with the Port Authority will not satisfy the complaint requirements established by HUD. Informal complaints are to be filed in writing to:

Compliance ~~Manager~~ Officer
Mississippi State Port Authority at Gulfport
2510 14th Street, Suite 880
Gulfport, MS 39501

The written complaint must be signed by the complainant and must contain:

- The complainant's name and address;
- The name and address of the respondent of the complaint;
- A description of the acts or omissions by the respondent that is sufficient to inform the Assistant Secretary of the nature and date of the alleged noncompliance.

Upon receipt of such complaint, the Compliance ~~Manager~~ Officer will designate the appropriate person(s) to investigate the specific allegations of the complaint and render a finding. If it is determined that a violation of the Port Authority's Section 3 Plan or a breach of the contractual obligations owed to the Port Authority by any contractor (including breaches committed by any such contractor's subcontractor), the Compliance ~~Manager~~ Officer shall notify the Port Authority of such findings and of the recommended corrective measures. The Port Authority will utilize its

best efforts to provide the results of its findings to the complainant within thirty (30) days after the filing of the informal written complaint.

Section 3 Definitions⁶

Applicant means any entity which makes an application for section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association.

Assistant Secretary means the Assistant Secretary for Fair Housing and Equal Opportunity.

Business concern means a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

Business concern that provides economic opportunities for low- and very low-income persons. See definition of “section 3 business concern” in this section.

Contract. See the definition of “section 3 covered contract” in this section.

Contractor means any entity which contracts to perform work generated by the expenditure of section 3 covered assistance, or for work in connection with a section 3 covered project.

Employment opportunities generated by section 3 covered assistance means all employment opportunities generated by the expenditure of section 3 covered public and Indian housing assistance (i.e., operating assistance, development assistance and modernization assistance, as described in § 135.3(a)(1)). With respect to section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with section 3 covered projects (as described in § 135.3(a)(2)), including management and administrative jobs connected with the section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.

Housing authority means, collectively, public housing agency and Indian housing authority.

Housing and community development assistance means any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants, and loans guaranteed under section 108 of the Housing and Community Development Act of 1974, as

⁶ 24 C.F.R.135.5 (as applicable to this Section 3 Plan).

amended. Housing and community development assistance does not include financial assistance provided through a contract of insurance or guaranty.

Housing development means low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations codified in 24 CFR Chapter IX.

HUD Youthbuild programs mean programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

Low-income person. See the definition of "section 3 resident" in this section.

Metropolitan area means a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

New hires mean full-time employees for permanent, temporary or seasonal employment opportunities.

Public housing resident has the meaning given this term in 24 CFR part 963.

Recipient means any entity which receives section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which section 3 applies and does not include contractors.

Section 3 means section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 business concern means a business concern, as defined in this section— (1) That is 51 percent or more owned by section 3 residents; or (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."

Section 3 clause means the contract provisions set forth in § 135.38.

Section 3 covered activity means any activity which is funded by section 3 covered assistance public and Indian housing assistance.

Section 3 covered assistance means: (1) Public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act; (2) Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act; (3) Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act; (4) Assistance provided under any HUD housing or community development program that is expended for work arising in connection with: (i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement); (ii) Housing construction; or (iii) Other public construction project (which includes other buildings or improvements, regardless of ownership).

Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. “Section 3 covered contracts” do not include contracts awarded under HUD’s procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). “Section 3 covered contracts” also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 resident means: (1) A public housing resident; or (2) An individual who resides in the metropolitan area or nonmetropolitan county in which the section 3 covered assistance is expended, and who is: (i) *A low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or (ii) *A very low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes. (3) A person seeking the training and employment preference provided by section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

Section 8 assistance means assistance provided under section 8 of the 1937 Act (42 U.S.C. 1437f) pursuant to 24 CFR part 882, subpart G.

Service area means the geographical area in which the persons benefitting from the section 3 covered project reside. The service area shall not extend beyond the unit of general local government in which the section 3 covered assistance is expended. In HUD's Indian housing programs, the service area, for IHAs established by an Indian tribe as a result of the exercise of the tribe's sovereign power, is limited to the area of tribal jurisdiction.

Subcontractor means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of section 3 covered assistance, or arising in connection with a section 3 covered project.

Very low-income person. See the definition of "section 3 resident" in this section.

Youthbuild programs. See the definition of "HUD Youthbuild programs" in this section.

HUD HIRING CATEGORIES

PROFESSIONALS.

Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dieticians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations specialists, physical scientists, physicians, social scientists, teachers, surveyors and kindred workers.

TECHNICIANS.

Occupations requiring a combination of basic scientific knowledge and manual skill which can be obtained through 2 years of post-high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers, drafters, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses, photographers, radio operators, scientific assistants, technical illustrators, technicians (medical, dental, electronic, physical science), and kindred workers.

OFFICE AND CLERICAL.

Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly non manual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, collectors (bills and accounts), messengers and office helpers, office machine operators (including computer), shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, legal assistants, and kindred workers.

OFFICIALS AND MANAGERS.

Occupations requiring administrative and managerial personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. Includes: officials, executives, middle management, plant managers, department managers, and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, railroad conductors and yard masters, ship captains, mates and other officers, farm operators and managers, and kindred workers.

SALES.

Occupations engaging wholly or primarily in direct selling. Includes: advertising agents and sales workers, insurance agents and brokers, real estate agents and brokers, stock and bond sales workers, demonstrators, sales workers and sales clerks, grocery clerks, and cashiers/checkers, and kindred workers.

CRAFT WORKERS (SKILLED).

Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. Includes: the building trades, hourly paid supervisors and lead operators who are not members of management, mechanics and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, painters (construction and maintenance), motion picture projectionists, pattern and model makers, stationary engineers, tailors and tailoresses, arts occupations, hand painters, coaters, bakers, decorating occupations, and kindred workers.

OPERATIVES (SEMISKILLED).

Workers who operate machine or processing equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. Includes: apprentices (auto mechanics, plumbers, bricklayers, carpenters, electricians, machinists, mechanics, building trades, metalworking trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffers, delivery workers, sewers and stitchers, dryers, furnace workers, heaters, laundry and dry cleaning operatives, milleners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (manufactured articles), photographic process workers, truck and tractor drivers, knitting, looping, taping and weaving machine operators, welders and flamecutters, electrical and electronic equipment assemblers, butchers and meatcutters, inspectors, testers and graders, hand packers and packagers, and kindred workers.

LABORERS (UNSKILLED).

Workers in manual occupations which generally require no special training who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Includes: garage laborers, car washers and greasers, groundskeepers and gardeners, farmworkers, stevedores, wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.

SERVICE WORKERS.

Workers in both protective and non-protective service occupations. Includes: attendants (hospital and other institutions, professional and personal service, including nurses aides, and orderlies), barbers, chair workers and cleaners, cooks, counter and fountain workers, elevator keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, amusement and recreation facilities attendants, guides, ushers, public transportation attendants, and kindred workers.

APPENDIX A

SECTION 3 CLAUSE

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires

that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



APPENDIX B

SECTION 3 PROJECT PLAN (For General Contractor – Submit to MSPA)

Instructions

1. All general contractors on the Project must fill out this Section 3 Project Plan form.
2. The Plan must represent the contractor's commitments to comply with Section 3, and include a description of efforts to accomplish the Plan.
3. The general contractor shall implement the Plan, including reporting monthly on the status of the Plan. Any changes must be submitted to the MSPA for approval.

Company Name: _____ Project: Port of Gulfport Restoration Project

Contact Person / Phone #: _____ Contract Amount: _____

Are you a Certified Section 3 Business Concern?

- ☐ Yes, certification and supporting documentation were provided to MSPA.
- ☐ No, but will work with MSPA to attain HUD Section 3 goals to the greatest extent feasible.

Are you a Construction Contractor or a Non-construction Contractor?

- ☐ Construction Contractor
- ☐ Non-Construction Contractor

Section 3 Hiring Goals

Enter the goals for hiring by your company and by all subcontractors on this contract.

Number of New Hires: _____ Number of Sec 3 Hires: _____ Percentage of Sec 3 Hires: _____ %
(Section 3 goals are a minimum of 30% of new hires be Section 3 hires)

Section 3 Subcontracting Goals

Enter the goals for subcontracting by your company and by all subcontractors on this project.

Number of Subcontracts: _____ Total Contract Amount Available to Subcontract: \$ _____
(Contract award less general conditions, P&P bond, profit and overhead, etc.)

Number of Subcontracts With Sec. 3 Businesses: _____ Contract Amount Expected to Subcontract to Sec 3 Businesses: \$ _____

Percent of Total Dollar Amount Available to Subcontract Expected to Subcontract to Sec 3 Businesses: _____ %
(Section 3 goal is a minimum of 10% of subcontracts for construction and 3% of subcontracts for non-construction be with Section 3 Businesses)

Description of Efforts to Implement Section 3 Project Plan

The Contractor shall attempt to recruit low-income residents through local advertising media, signs prominently displayed at the project site, community organizations and public or private agencies operating within the metropolitan area in which the Section 3 covered program or project is located, participating in the Pathways to the Port Jobs Program and by listing all job openings at Mississippi WIN Job Centers. Additionally, the Contractor may employ multiple measures (as described in the Appendix A, attached) in order to offer training and employment opportunities to Section 3 residents.

The Contractor shall attempt to award subcontracts to Section 3 business concerns by utilizing the some of the examples as set forth in the Appendix A.

If the project generates training opportunities, then the contractor will give preference for those training opportunities to section 3 residents. Such training opportunities might include internships or apprenticeships. Contractor shall implement procedures designed to notify section 3 residents about the training.

Definitions

- a. A "Section 3 resident" is
 - A public housing resident; or
 - a low- (< 80% AMI) or very low- (<50% AMI) income person residing in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended. See HUD website at www.hud.gov/section3.
- b. "Section 3 business concern" means a business concern—
 - (1) That is 51 percent or more owned by section 3 residents; or
 - (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
 - (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."
- c. A new hire means a full-time employee for a new permanent, temporary, or seasonal employment opportunities.
- d. Hiring Categories as identified by HUD:
 1. PROFESSIONALS.
Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations specialists, physical scientists, physicians, social scientists, teachers, surveyors and kindred workers.
 2. TECHNICIANS.
Occupations requiring a combination of basic scientific knowledge and manual skill which can be obtained through 2 years of post-high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers, drafters, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses, photographers, radio operators, scientific assistants, technical illustrators, technicians (medical, dental, electronic, physical science), and kindred workers.
 3. OFFICE AND CLERICAL.
Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly nonmanual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, collectors (bills and accounts), messengers and office helpers, office machine operators (including computer), shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, legal assistants, and kindred workers.
 4. OFFICIALS AND MANAGERS.
Occupations requiring administrative and managerial personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. Includes: officials, executives, middle management, plant managers, department managers, and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, railroad conductors and yard masters, ship captains, mates and other officers, farm operators and managers, and kindred workers.
 5. SALES.
Occupations engaging wholly or primarily in direct selling. Includes: advertising agents and sales workers, insurance agents and brokers, real estate agents and brokers, stock and bond salesworkers, demonstrators, salesworkers and sales clerks, grocery clerks, and cashiers/checkers, and kindred workers.
 6. CRAFT WORKERS (SKILLED).
Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. Includes: the building trades, hourly paid supervisors and lead operators who are not members of management, mechanics and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, painters (construction and maintenance), motion picture projectionists, pattern and model makers, stationary engineers, tailors and tailoresses, arts occupations, handpainters, coaters, bakers, decorating occupations, and kindred workers.

7. OPERATIVES (SEMISKILLED).

Workers who operate machine or processing equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. Includes: apprentices (auto mechanics, plumbers, bricklayers, carpenters, electricians, machinists, mechanics, building trades, metalworking trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffeurs, delivery workers, sewers and stitchers, dryers, furnace workers, heaters, laundry and dry cleaning operatives, milliners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (manufactured articles), photographic process workers, truck and tractor drivers, knitting, looping, taping and weaving machine operators, welders and flamecutters, electrical and electronic equipment assemblers, butchers and meatcutters, inspectors, testers and graders, handpackers and packagers, and kindred workers.

8. LABORERS (UNSKILLED).

Workers in manual occupations which generally require no special training who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Includes: garage laborers, car washers and greasers, groundskeepers and gardeners, farmworkers, stevedores, wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.

9. SERVICE WORKERS.

Workers in both protective and non-protective service occupations. Includes: attendants (hospital and other institutions, professional and personal service, including nurses' aides, and orderlies), barbers, charworkers and cleaners, cooks, counter and fountain workers, elevator keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, amusement and recreation facilities attendants, guides, ushers, public transportation attendants, and kindred workers.

Section 3 Clause

All subcontracts shall include the Section 3 Clause found at 24 CFR 135.38 (see Appendix B attached) and fully incorporate into the subcontract by reference.

Section 3 Reporting/Recordkeeping by Contractor

The Contractor will report Section 3 activities to MSPA on a monthly basis on the provided Section 3 Status Report and Section 3 Project Summary Report. MSPA shall have access to all records, reports, and other documents or items of the Contractor that are maintained to demonstrate compliance with the Section 3 regulations, or that are maintained in accordance with the regulations governing the PGRP under which Section 3 covered assistance is provided or otherwise made available to the Contractor.

Section 3 Compliance Monitoring of Subcontractors

The Contractor shall share the responsibility of Section 3 with the subcontractors that are awarded contracts to which Section 3 is applicable. If the subcontractor has the need to hire new persons to complete the Section 3 covered contract or needs to subcontract portions of the work to another business, they are required to direct their newly created employment and/or subcontracting opportunities to Section 3 residents and business concerns. The same numerical goals apply to subcontractors (i.e., 30 percent of new hires, 10 percent of construction contracts, and 3 percent of non-construction contracts). In addition, the subcontractor will be required to notify the Contractor about their efforts to comply with Section 3 and submit any required documentation as set forth below. Subcontractors will be required to provide to the Contractor a Section 3 status report capturing the following data:

- The number of full time positions with the Subcontractor for PGRP.
- Of those full time positions, the number of Section 3 employees working for the Subcontractor under PGRP.
- Supporting certification of Section 3 resident and necessary supporting evidence (pay roll, pay stub, copy of lease, etc.).
- Supporting certification of Section 3 business concern and necessary supporting information (Certifications of all Section 3 employees and supporting documentation).

Date

Signature of Company Representative

maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise made available to the recipient or contractor.

APPENDIX TO PART 135

1. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents

- (1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.
- (2) Sponsoring a HUD-certified "Step-Up" employment and training program for section 3 residents.
- (3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.
- (4) Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in §135.34) reside.
- (5) Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For HAs, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.
- (6) Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.
- (7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.

- (8) Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.
- (9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.
- (10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.
- (11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.
- (12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.
- (13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.
- (14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.
- (15) For an HA, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)
- (16) Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions.
- (17) Undertaking job counseling, education and related programs in association with local educational institutions.
- (18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents

previously hired for employment opportunities.

(19) After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

II. Examples of Efforts To Award Contracts to Section 3 Business Concerns

(1) Utilizing procurement procedures for section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of section 3 compliance as evidenced by past actions and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying section 3 businesses which may solicit bids or proposals for contracts for work in connection with section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the HIA.

(5) For HIAs, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that section 3 business concerns can take advantage of upcoming contracting opportunities, with such

information being made available in languages other than English where appropriate.

(10) Advising section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

(11) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of section 3 business concerns.

(12) Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by section 3 business concerns.

(13) Contacting agencies administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

(14) Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(15) Developing a list of eligible section 3 business concerns.

(16) For HIAs, participating in the "Contracting with Resident-Owned Businesses" program provided under 24 CFR part 903.

(17) Establishing or sponsoring programs designed to assist residents of public or Indian housing in the creation and development of resident-owned businesses.

(18) Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to section 3 business concerns.

(19) Supporting businesses which provide economic opportunities to low income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the State and local levels.

(20) Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

(21) Actively supporting joint ventures with section 3 business concerns.

(22) Actively supporting the development or maintenance of business incubators which assist Section 3 business concerns.

III. Examples of Procurement Procedures That Provide for Preference for Section 3 Business Concerns

This Section III provides specific procedures that may be followed by recipients and contractors (collectively, referred to as the "contracting party") for implementing the section 3 contracting preference for each of

the competitive procurement methods authorized in 24 CFR 85.36(d).

(1) *Small Purchase Procedures.* For section 3 covered contracts aggregating no more than \$25,000, the methods set forth in this paragraph (1) or the more formal procedures set forth in paragraphs (2) and (3) of this Section III may be utilized.

(i) *Solicitation.* (A) Quotations may be solicited by telephone, letter or other informal procedure provided that the manner of solicitation provides for participation by a reasonable number of competitive sources. At the time of solicitation, the parties must be informed of:

- the section 3 covered contract to be awarded with sufficient specificity;
- the time within which quotations must be submitted; and
- the information that must be submitted with each quotation.

(B) If the method described in paragraph (1)(A) is utilized, there must be an attempt to obtain quotations from a minimum of three qualified sources in order to promote competition. Fewer than three quotations are acceptable when the contracting party has attempted, but has been unable, to obtain a sufficient number of competitive quotations. In unusual circumstances, the contracting party may accept the sole quotation received in response to a solicitation provided the price is reasonable. In all cases, the contracting party shall document the circumstances when it has been unable to obtain at least three quotations.

(ii) *Award.* (A) Where the section 3 covered contract is to be awarded based upon the lowest price, the contract shall be awarded to the qualified section 3 business concern with the lowest responsive quotation, if it is reasonable and no more than 10 percent higher than the quotation of the lowest respon-

sive quotation from any qualified source. If no responsive quotation by a qualified section 3 business concern is within 10 percent of the lowest responsive quotation from any qualified source, the award shall be made to the source with the lowest quotation.

(B) Where the section 3 covered contract is to be awarded based on factors other than price, a request for quotations shall be issued by developing the particulars of the solicitation, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation shall identify all factors to be considered, including price or cost. The rating system shall provide for a range of 15 to 25 percent of the total number of available rating points to be set aside for the provision of preference for section 3 business concerns. The purchase order shall be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

(2) *Procurement by sealed bids (Invitations for Bids).* Preference in the award of section 3 covered contracts that are awarded under a sealed bid (IFB) process may be provided as follows:

(i) Bids shall be solicited from all businesses (section 3 business concerns, and non-section 3 business concerns). An award shall be made to the qualified section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid—

(A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

(B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

	x=lesser of:
When the lowest responsive bid is less than \$100,000	10% of that bid or \$9,000.
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000	9% of that bid, or \$18,000.
At least \$200,000, but less than \$300,000	8% of that bid, or \$24,000.
At least \$300,000, but less than \$400,000	7% of that bid, or \$28,000.
At least \$400,000, but less than \$500,000	6% of that bid, or \$30,000.
At least \$500,000, but less than \$1 million	5% of that bid, or \$40,000.
At least \$1 million, but less than \$2 million	4% of that bid, or \$80,000.
At least \$2 million, but less than \$4 million	3% of that bid, or \$120,000.
At least \$4 million, but less than \$7 million	2% of that bid, or \$140,000.
\$7 million or more	1½% of the lowest responsive bid, with no dollar limit.

(ii) If no responsive bid by a section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

(3) *Procurement under the competitive proposals method of procurement (Request for Proposals (RFP)).* (i) For contracts and sub-

contracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(ii) One of the evaluation factors shall address both the preference for section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement (section 3 strategy), as disclosed in proposals submitted by all business concerns (section 3 and non-section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.

(iii) The component of this evaluation factor designed to address the preference for section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iv) With respect to the second component (the acceptability of the section 3 strategy), the RFP shall require the disclosure of the contractor's section 3 strategy to comply with the section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable section 3 strategy. The contract award shall be made to the responsible firm (either section 3 or non-section 3 business concern) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

PART 146—NONDISCRIMINATION ON THE BASIS OF AGE IN HUD PROGRAMS OR ACTIVITIES RECEIVING FEDERAL FINANCIAL ASSISTANCE

Subpart A—General

Sec.

146.1 Purpose of the Age Discrimination Act of 1975.

146.3 Purpose of HUD's age discrimination regulation.

146.5 Applicability of part.

146.7 Definitions.

Subpart B—Standards for Determining Age Discrimination

146.11 Scope of subpart.

146.13 Rules against age discrimination.

Subpart C—Duties of HUD Recipients

146.21 General responsibilities.

146.23 Notice of subrecipients.

146.25 Assurance of compliance and recipient assessment of age distinctions.

146.27 Information requirements.

Subpart D—Investigation, Settlement, and Enforcement Procedures

146.31 Compliance reviews.

146.33 Complaints.

146.35 Mediation.

146.37 Investigation.

146.39 Enforcement procedures.

146.41 Prohibition against intimidation or retaliation.

146.43 Hearings, decisions, post-termination proceedings.

146.45 Exhaustion of administrative remedies.

146.47 Remedial and affirmative action by recipients.

146.49 Alternate funds disbursement procedure.

AUTHORITY: 42 U.S.C. 3535(d) and 6103.

SOURCE: 51 FR 45266, Dec. 17, 1986, unless otherwise noted.

Subpart A—General

§ 146.1 Purpose of the Age Discrimination Act of 1975.

The Age Discrimination Act of 1975 (the Act) prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. The Act, however, permits federally assisted programs and activities and recipients of Federal funds to continue to use certain age distinctions and factors other than age which meet the requirements of the Act and this part.

§ 146.3 Purpose of HUD's age discrimination regulation.

The purpose of this part is to state HUD's policies and procedures under the Age Discrimination Act of 1975, consistent with the government-wide age discrimination regulation contained at 45 CFR part 90.

§ 146.5 Applicability of part.

This part applies to each program or activity that receives Federal financial assistance provided by HUD.

§ 146.7 Definitions.

The terms *HUD* and *Secretary* are defined in 24 CFR part 5.

Act means the Age Discrimination Act of 1975, 42 U.S.C. 6101-07.

Action means any act, activity, policy, rule, standard, or method of administration or the use of any policy,

§ 135.38 - SECTION 3 CLAUSE

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

Exhibit "2"

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



SECTION 3 HIRING PLAN
(For General Contractors – Submit to MSPA)
(For Subcontractors – Submit to General Contractor)

<p>Instructions</p> <ol style="list-style-type: none"> 1. All general contractors on this Project must propose a Section 3 Hiring Plan. 2. All subcontractors on this Project must propose a Section 3 Hiring Plan. 3. The general contractor will review Hiring Plans of subcontractors for compliance with Section 3 requirements. 4. The general contractor must report monthly on their plan while they are performing contract-related work. Any changes to anticipated hiring must be reflected in updates to the Plan.
--

Company Name: _____ Project _____

Contact Person / Phone #: _____ Bid/Contract Amount: _____

Total New Hires Anticipated. Enter number of new hires anticipated in connection with this contract to the right, and list the positions below.		
POSITION TITLE	ESTIMATED JOB LENGTH	SEC 3 HIRE ANTICIPATED?
Total Section 3 Hires Anticipated		
Enter total number of Section 3 hires anticipated.		

NOTE: IF NO NEW HIRES ARE EXPECTED, AN EXPLANATION MUST BE PROVIDED BELOW.

Description of Efforts to Target Employment to Section 3 Residents

Describe how you will target Section 3 residents for employment opportunities to meet the hiring goals that you have established in this plan.

- ☐ Publish employment opportunities in local newspaper, indicating preference for Section 3 residents.
- ☐ Publish employment opportunities with the "Hiring Plan Sources" marked on the Section 3 Referral Sources form.
- ☐ Other _____

Section 3 Referral Sources

Please complete the Referral Sources page and attach to this plan.

 Date
 135876.1

 Signature of Company Representative



SECTION 3 Referral Sources
(To be submitted with the Hiring Plan and Subcontracting Plan)

Hiring Plan Sources

- ☐ Mississippi Housing Authority
- ☐ WIN Job Center
- ☐ Regional Housing Authority
- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Long Beach Housing Authority
- ☐ North Gulfport Civic Club
- ☐ NAACP Gulfport Branch
- ☐ Forest Heights Homeowners
- ☐ Turkey Creek Homeowners Association
- ☐ West Gulfport Civic Club
- ☐ Magnolia Grove Homeowners
- ☐ Soria City Civic Organization
- ☐ The Quarters Group
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

Subcontracting Plan Sources

- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Mississippi Housing Authority
- ☐ Regional Housing Authority
- ☐ Mississippi Procurement Center
- ☐ Ms Association of Builders & Contractors
- ☐ Associated General Contractors of Mississippi
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____



SECTION 3 SUBCONTRACTING PLAN
 (For General Contractors that intend to subcontract – Submit to MSPA)
 (For Subcontractors that intend to subcontract – Submit to General Contractor)

Instructions

1. All general contractors must complete a Section 3 Subcontracting Plan if intending to subcontract.
2. All subcontractors must complete a Section 3 Subcontracting Plan if intending to subcontract.
3. The general contractor will review Subcontracting Plans for compliance with the project's Section 3 requirements.
4. The general contractor must report monthly on their plan while they are performing contract-related work. Any changes to anticipated subcontracting must be submitted to the MSPA or general contractor, as applicable.

Company Name: _____ Project _____
 Contact Person / Phone #: _____ Bid/Contract Amount: _____

Subcontracts Anticipated

List all subcontracts anticipated in connection with this contract below

SUBCONTRACT (TYPE OF WORK)	DOLLAR AMOUNT ESTIMATED	SEC 3 HIRE ANTICIPATED?
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Section 3 Subcontracts Anticipated	\$	
What dollar value do you anticipate contracting with Section 3 businesses?	\$	

Description of Efforts to Target Contracting to Section 3 Businesses

Describe how you will target Section 3 businesses for contracting opportunities to meet the hiring goals that you have established in this plan.

- ☐ Publish subcontracting opportunities in local newspaper, indicating preference for Section 3 Business Concerns.
- ☐ Publish subcontracting opportunities with the "Subcontracting Plan Sources" marked on the Section 3 Referral Sources form.
- ☐ Other _____

Section 3 Referral Sources

Please complete the Referral Sources page and attach to this plan.

DATE _____
 135879.1

Signature of Company Representative _____



SECTION 3 Referral Sources
(To be submitted with the Hiring Plan and Subcontracting Plan)


Hiring Plan Sources

- ☐ Mississippi Housing Authority
- ☐ WIN Job Center
- ☐ Regional Housing Authority
- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Long Beach Housing Authority
- ☐ North Gulfport Civic Club
- ☐ NAACP Gulfport Branch
- ☐ Forest Heights Homeowners
- ☐ Turkey Creek Homeowners Association
- ☐ West Gulfport Civic Club
- ☐ Magnolia Grove Homeowners
- ☐ Soria City Civic Organization
- ☐ The Quarters Group
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

Subcontracting Plan Sources

- ☐ Small Business Administration
- ☐ MS Minority Business Center
- ☐ Mississippi Housing Authority
- ☐ Regional Housing Authority
- ☐ Mississippi Procurement Center
- ☐ Ms Association of Builders & Contractors
- ☐ Associated General Contractors of Mississippi
- ☐ Other: _____
- ☐ Other: _____
- ☐ Other: _____

APPENDIX E

	SECTION 3 BUSINESS CONCERN CERTIFICATION Eligibility for Preference												
Instructions: 1. This form must be completed by all contractors to certify whether they qualify for preference as a Section 3 Business Concern. 2. All contractors must certify that they shall follow a Section 3 Hiring Plan and, if applicable, a Section 3 Subcontracting Plan.													
Company Name: _____ Address: _____ Contact Person: _____ Phone Number: _____ Number of Employees: _____ (full time) _____ (part time)													
1. Does your firm represent and certify that it is a Section 3 business concern? <div style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No (if no, go to #2) </div> <p>If yes, please check all that apply. The contractor represents and certifies that:</p> <div style="margin-left: 20px;"> <input type="checkbox"/> The contractor's firm is 51 percent or more owned by Section 3 residents; or <input type="checkbox"/> The contractor's permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of their first employment with the business were Section 3 residents; or <input type="checkbox"/> The contractor hereby commits to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded by the business under the proposed contract to Section 3 businesses that meet the above two criteria, as identified below and detailed further in the contractor's Section 3 Subcontracting Plan: </div> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left; width: 50%;">SUBCONTRACTOR NAME</th> <th style="text-align: left; width: 50%;">SUBCONTRACT AMOUNT</th> </tr> </thead> <tbody> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> <tr> <td>_____</td> <td>\$ _____</td> </tr> </tbody> </table>		SUBCONTRACTOR NAME	SUBCONTRACT AMOUNT	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____
SUBCONTRACTOR NAME	SUBCONTRACT AMOUNT												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
_____	\$ _____												
2. My firm is not eligible to certify as a Section 3 business concern. Instead, my firm: <div style="margin-left: 20px;"> <input type="checkbox"/> Shall complete and follow a Section 3 Hiring Plan and, if applicable, a Section 3 Subcontracting Plan. </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 30%;"> _____ <small>DATE</small> </div> <div style="width: 60%;"> _____ <small>SIGNATURE OF COMPANY REPRESENTATIVE</small> </div> </div>													



SECTION 3 RESIDENT CERTIFICATION - 2013

Eligibility for Preference

Instructions:

1. A section 3 resident seeking preference in training and employment must certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3 resident, as defined in Section 135.5 of 24 CFR.
2. To indicate your eligibility for preference, complete this form and submit it to the contractor or subcontractor that has advertised the position you are seeking.

Submitted to: _____ ("Contractor") ("Subcontractor").

I, _____, am a legal resident of _____

My permanent address is: _____

Number in Household: _____

Total current gross household income: _____

I am a Section 3 resident because (must check one):

- ☐ I am a resident of public housing, OR
- ☐ I meet the income eligibility guidelines below (circle applicable income limit).

I have attached the following documentation as evidence of my status (provide at least one):

- ☐ Copy of lease in a Federally assisted program
- ☐ Copy of receipt of public assistance
- ☐ Copy of evidence of participation in public assistance program that assists low or very low income persons
- ☐ Other evidence: _____
- ☐ Copy of income tax return

SECTION 3 INCOME LIMITS

All residents of public housing developments qualify as Section 3 residents. Additionally, individuals residing in the Gulfport-Biloxi metro area who meet the income limits set forth below can also qualify for Section 3 status.

Number in Household	Annual Household Income Less Than
<u>1</u>	<u>\$30,650</u>
<u>2</u>	<u>\$35,000</u>
<u>3</u>	<u>\$39,400</u>
<u>4</u>	<u>\$43,750</u>
<u>5</u>	<u>\$47,250</u>
<u>6</u>	<u>\$50,750</u>
<u>7</u>	<u>\$54,250</u>
<u>8</u>	<u>\$57,750</u>

Revised with 2013 Income Limits

I certify that my answers are true and complete to the best of my knowledge. If my application leads to employment, I understand that false or misleading information in this certification or other information provided to contractor or subcontractor may result in my termination. The undersigned acknowledges that Contractor and the Mississippi State Port Authority will rely on the accuracy of the information contained herein and, therefore, any person who misrepresents its status may be subject to criminal and administrative remedies.

DATE _____

SIGNATURE _____

APPENDIX G



Section 3 Status Report – Hiring / Subcontracting Activity (For General Contractor – Submit to MSPA monthly) (For Subcontractors – Submit to General Contractor monthly)

Instructions

1. The general contractor and all subcontractors must provide monthly status reports on their Section 3 Hiring Plan and Section 3 Subcontracting Plan (if subcontracting any work).
2. List all positions filled and subcontracts executed in connection with the Section 3 project to date, and explain any changes from the approved Plan.
3. Submit all backup Section 3 Resident and Business Certification forms with the report.
4. Reports must be submitted to the MSPA (by general contractor) and the general contractor (by subcontractors) no later than 10 days after the end of each month.

Company Name: _____

Contact Person/Phone: _____

Project Name: _____

Reporting Period: _____

Hiring Categories (Definitions Enclosed)

- | | |
|---------------------------|------------------------------|
| 1) Professionals | 6) Craft Workers (skilled) |
| 2) Technicians | 7) Operatives (semi-skilled) |
| 3) Office and Clerical | 8) Laborers (unskilled) |
| 4) Officials and Managers | 9) Service Workers |
| 5) Sales | |

HIRING List position titles for all new hires AND names of persons hired to date (e.g., Carpenter – John Smith)	Sec 3 Resident Hired? (Y/N)	Hiring Category	# of Sec 3 Residents Interviewed	Referral Sources Utilized	If Sec 3 Resident not hired, provide a reason

SUBCONTRACTING Name of subcontractors selected in connection with the project to date	Section 3 Business Selected? (Y/N)	Dollar Value of Contract	Contract Date	# of Sec 3 businesses that bid on contract	Referral Sources Utilized	If Sec 3 Business not selected, provide a reason

APPENDIX H



SECTION 3 PROJECT SUMMARY REPORT (For General Contractor - Submit to Owner monthly)

Project Name: _____
Owner Name: _____
Owner Contact Person/Phone: _____
Report Updated as of: _____ (Month/Day/Year)
General Contractor: _____
PSP Contact Person/Phone: _____

Hiring Categories (Definitions Enclosed)	
1) Professionals	6) Craft Workers (skilled)
2) Technicians	7) Operatives (semi-skilled)
3) Office and Clerical	8) Laborers (unskilled)
4) Officials and Managers	9) Service Workers
5) Sales	

General Contractor/Subcontractor Name	Contract Amount	Certified as Section 3 Business? (Y/N)	Section 3 Plan Received?	Currently Active on Project? (Y/N)	SEC 3 PLAN #s		Hiring Categories	ACTUAL #s		% of Aggregate Number of Staff Hours of New Hires that are Section n3	% of Total Staff Hours for Section 3 Employees and Trainees	Number of Section 3 Trainees
					Goal for New Hires	Goal for Sec 3 Hires		Actual New Hires to Date	Actual Sec 3 Hires to Date			
	\$ -						1					
	\$ -						2					
	\$ -						3					
	\$ -						4					
	\$ -						5					
	\$ -						6					
	\$ -						7					
	\$ -						8					
	\$ -						9					
	\$ -						1					
	\$ -						2					
	\$ -						3					
	\$ -						4					
	\$ -						5					
	\$ -						6					
	\$ -						7					
	\$ -						8					
	\$ -						9					

Complete as many as necessary for reporting

SUBCONTRACTING						HIRING			
PROJECT TOTALS	Total Contract Amount Available to Subcontract*	Amount Contracted to Sec 3 Businesses	Percentage Subcontracted to Section 3 Businesses	Total # of Section 3 Businesses	Goals in Section 3 Project Plan met? (Y/N)	Total Actual New Hires	Total Actual Sec 3 Hires	Percentage of Section 3 Hires	Goal in Section 3 Project Plan met? (Y/N)
Enter totals for entire project.	\$ -	\$ -							

*Use the GC contract amount less P&P bond, profit and overhead, etc.

WINGS PARTICIPANT PROFILE FORM

						1. Social Security Number		
2. Prefix		First Name		M. I.	Last Name		Suffix	Preferred Name
3. U.S. Worker Status			4. Date of Birth		5. Ethnicity			
<input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Permanent Resident <input type="checkbox"/> Work Authorized Alien <input type="checkbox"/> Not U.S. Citizen or Eligible Worker					Yes No Did Not Disclose Hispanic/Latino <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Native American/Alaskan Native <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Asian <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Black/African American <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Native Hawaiian/ Pacific Islander <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> White/Caucasian <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
			6. Gender					
			<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Did not disclose					
7. Veteran		8. Disability		8a. Disability Class		9. Employment Status		10. Best method of contact
<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Did not disclose		<input type="checkbox"/> Physical <input type="checkbox"/> Mental <input type="checkbox"/> Both Physical & Mental <input type="checkbox"/> Did not disclose		<input type="checkbox"/> Not Employed <input type="checkbox"/> Employed <input type="checkbox"/> Received Layoff Notice		<input type="checkbox"/> Phone <input type="checkbox"/> E-Mail <input type="checkbox"/> Mail
11. Mailing Address				City		County		State Zip
12. Physical Address (if different from above)				City		County		State Zip
13. Primary Phone			14. Alternate Phone		15. E-mail address			
16. Has Driver's License?			17. Selective Service Registered		18. Permanent Residence		19. Offender	20. Low-Income
<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, indicate the class: <input type="checkbox"/> R <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D			<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
STAFF USE ONLY								
22. Unemployment Insurance Status			23. Farmworker Status			24. Receives SSI/SSDI		
<input type="checkbox"/> Claimant Referred by WPRS <input type="checkbox"/> Claimant Not Referred by WPRS <input type="checkbox"/> Exhaustee <input type="checkbox"/> Neither Claimant or Exhaustee			<input type="checkbox"/> Farmworker <input type="checkbox"/> Migrant <input type="checkbox"/> Migrant Farmworker <input type="checkbox"/> No			<input type="checkbox"/> SSI Only <input type="checkbox"/> SSDI Only <input type="checkbox"/> Both, SSI and SSDI <input type="checkbox"/> No		
25. Nat. Farmworker Job Services		26. Job Corp Services		27. Indian/Native Amer. Program Services		28. Youth Build Services		29. Special ETA Project ID
<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No		
Access MS Account Set-Up								
Please print the following answers exactly as it should be keyed.								
30. User ID (6-30 characters)					31. Password (8-12 characters)			
32. Security Question (choose one and print the answer exactly as it should be keyed)					<input type="checkbox"/> What is your pet's name? _____ <input type="checkbox"/> Where did you go to high school? _____ <input type="checkbox"/> What is your mother's maiden name? _____ <input type="checkbox"/> In what city were you born? _____ <input type="checkbox"/> What is your favorite color? _____			

Revised 4/2012

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